

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF NEW YORK**

-----X
**FARAMARZ HEDVAT and
KATRIN HEDVAT,**

Plaintiffs,

Case No.: 2:23-cv-04101-DLI-LGD

-against-

**CHUBB NATIONAL INSURANCE
COMPANY,**

Defendant.

-----X
**DECLARATION OF PAUL FERLAND, ESQ. IN FURTHER SUPPORT OF CHUBB
NATIONAL INSURANCE COMPANY'S MOTION TO DISMISS**

Paul Ferland, Esq., of full age, declares as follows:

1. I am a Member with the law firm of Cozen O'Connor. I am licensed to practice law in the State of New York and am admitted to practice before the United States District Court for the Eastern District of New York. Cozen O'Connor represents Defendant Chubb National Insurance Company ("Chubb") in the above-captioned litigation. I am familiar with the facts set forth herein.
2. I submit this Declaration in support of Chubb's Motion to Dismiss, pursuant to Fed. R. Civ. P. 12(b)(6).
3. Attached hereto as Exhibit 1 is a true and complete copy of the relevant insurance policy, policy number 14678193-01, issued by Chubb to Plaintiffs.
4. Attached hereto as Exhibit 2 is a true and complete copy of Chubb's denial letter, dated August 12, 2022. Enclosed with that letter is a true and complete copy of the report prepared by H2M architects + engineers, dated August 8, 2022.

5. Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Dated: New York, New York
July 13, 2023

Respectfully submitted,

COZEN O'CONNOR



Paul Ferland, Esq.
Josh Tumen, Esq.
Attorney for Defendant
Chubb National Insurance Company
3 World Trade Center
175 Greenwich Street – 55th Floor
New York, New York 10007
PFerland@cozen.com
JTumen@cozen.com
(212) 453-3914

EXHIBIT 1

May 24, 2023



Attn: JOSEPH C BEVIS

Policy: 14678193-01

Insured: Faramarz and Katrin Hedvat

Writing Company: Chubb National Insurance Company

I certify that the above mentioned enclosed policy is a true and accurate copy.

Yours Truly,

A handwritten signature in black ink, appearing to read "Romeo Antonuccio", written over a light gray rectangular background.

Romeo Antonuccio

Personal Risk Services Operations



CHUBB®

Name and address of Insured:

FARAMARZ AND KATRIN HEDVAT
7 KENILWORTH TERRACE
KINGS POINT, NY 11024

Policy no: 14678193-01

Effective date: 9/8/21

Issued by: Chubb National Insurance Company
a stock insurance company
incorporated in Indiana

Policy period: 9/8/21 to 9/8/22

If you have any questions, please contact:
THE HILB GROUP OF NY LLC DBA HIRAM COHEN
& SON
486 WILLIS AVENUE
WILLISTON PARK, NY 11596
516.742.7180

Dear Valued Client,

On behalf of our entire team, thank you for renewing your protection with Chubb. We're looking forward to continuing to say yes and do more across every step of your experience.

In this mailing, you'll find a copy of your new policy to review. Please review it carefully and if you have any questions, we're here to help. We encourage you to contact your agent or our Customer Care Team at 1.866.324.8222 or customercare@chubb.com with any questions you may have. The team is available from 10 a.m. - 8 p.m. ET Monday - Friday, and 10 a.m. - 3 p.m. ET Saturday.

If you haven't already, don't forget to register for our Client Portal at www.chubb.com/registernow. You can also download our mobile app at the AppStore or on Google Play. With our client portal and mobile app you can take advantage of our online services like viewing your policy, billing or claims information, making a payment, enrolling in autopay, paperless billing, paperless policy and email or text notification services from home or on the go. Be sure to have your policy or billing statement handy to complete the simple registration process.

About Your Policy

As you take a look at your policy, we've included ways to help you find the information you need faster:

- On your **Coverage Summary**, you'll see who is named as an insured, as well as your insured property, coverage limits, and the deductibles and additional features you've selected.
- The **Table of Contents** will tell you which coverage forms apply to your policy.
- The **Introduction, Policy Terms, and Policy Information Notice** also include common insurance terminology with straightforward definitions to make it easier to read your policy.

In each chapter, you'll also find descriptions of the different examples and scenarios your policy is designed to protect, and how your protection applies depending on where you live. You'll also see more detail on your deductibles, how what we pay is decided if you have a claim, and an explanation of any exclusions (i.e., any specific cases that aren't covered under your policy).

Continued on the next page

Getting More from Your Policy

We want to help you get the most out of your protection with Chubb, like taking advantage of potential premium credits or our complimentary services.

Please review these documents for a detailed overview of your premium:

- Premium Summary and Privacy Notice
- Premium Discount Summary

Thank you again for choosing Chubb!

Fran O'Brien
Division President, North America Personal Risk Services

Any questions? We're here to help. Our **Customer Care Team** is just a call away at **1.866.324.8222**. If you have a claim, you can reach our **Claim Service Center** directly at **1.800.252.4670**.

www.chubb.com email: customercare@chubb.com

Chubb is the marketing name used to refer to subsidiaries of Chubb Limited providing insurance and related services. For a list of these subsidiaries, please visit our website at www.chubb.com. Insurance provided by U.S. based Chubb underwriting companies. All products may not be available in all states. Coverage is subject to the language of the policies as actually issued. Surplus lines insurance sold only through licensed surplus lines producers. Chubb Personal Risk Services, P.O. Box 1600, Whitehouse Station, NJ 08889-1600.



Premium Summary Renewal

CHUBB®

FARAMARZ AND KATRIN HEDVAT
7 KENILWORTH TERRACE
KINGS POINT, NY 11024

Page 1
Effective Date 9/8/21
Policy no. 14678193-01
Policy period 9/8/21 to 9/8/22
Producer name THE HILB GROUP OF NY LLC DBA
HIRAM COHEN & SON

We are pleased to enclose your Chubb Masterpiece Policy, which includes an annual premium savings of [REDACTED] as listed below.

This chart shows at a glance what coverages you have and the related premiums.

	Property covered	Coverage	Premium
Homes and Contents	HOUSE AT 7 KENILWORTH TERRACE KINGS POINT, NY	HOME, CONTENTS, LIABILITY	[REDACTED]
Valuable Articles	JEWELRY, FINE ARTS	VALUABLE ARTICLES	
Family Protection	NOT APPLICABLE	FAMILY PROTECTION	
Vehicles	2005 MERCE G500	EXCESS LIABILITY	
	2018 MERCEDES-BENZ G63AMG	EXCESS LIABILITY	
	1996 PORSCHE 911	EXCESS LIABILITY	
	2020 BMW X5 M50I	EXCESS LIABILITY	
	2020 BMW 330 XI	EXCESS LIABILITY	
	2020 BMW M8	EXCESS LIABILITY	
	2021 LAMBORGHINI URUS	EXCESS LIABILITY	
Total Premium			[REDACTED]

Your policy includes a Coverage Summary and policy provisions that explain your coverage in more detail.

Chubb Masterpiece provides many different credits for home, valuable articles, automobile and excess liability coverages. We recommend that you contact your agent or broker for an annual review to ensure that your coverages, policy limits and available credits are accurate and meet your personal insurance needs.

Your policy provides the following annual premium credits for the coverages listed below:

Your homeowners premium was reduced by [REDACTED] as a result of one or more credits.

Your excess premium was reduced by [REDACTED] as a result of one or more credits.

Premium Summary Renewal

CHUBB®

Page 2

Effective date 9/8/21

Policy no. 14678193-01

Name FARAMARZ AND KATRIN HEDVAT

You will receive a separate Personal Insurance Statement that will outline the schedule of premium amounts and the due dates. If an endorsement during the policy period changes the amount of premium due, you will receive a revised Personal Insurance Statement.

If you choose one of our convenient installment plans, your payments will be slightly higher than the premium shown above because of the small service charge.

We appreciate your continued business. Since 1882, personal service and comprehensive coverages have been the hallmarks of the Chubb Group of Insurance Companies.

Thank you for insuring through Chubb.



CHUBB

CHUBB GROUP U.S. PRIVACY NOTICE

FACTS		WHAT DOES THE CHUBB GROUP DO WITH YOUR PERSONAL INFORMATION?	
Why?	Insurance companies choose how they share your personal information. Federal and state law gives consumers the right to limit some but not all sharing. Federal and state law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.		
What?	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none">• Social Security number and payment history• insurance claim history and medical information• account transactions and credit scores <p>When you are no longer our customer, we continue to share information about you as described in this notice.</p>		
How?	All insurance companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons insurance companies can share their customers' personal information; the reasons the Chubb Group chooses to share; and whether you can limit this sharing.		
Reasons we can share your personal information		Does Chubb share?	Can you limit this sharing?
For our everyday business purposes - such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus		YES	NO
For our marketing purposes - to offer our products and services to you		YES	NO
For joint marketing with other financial companies		YES	NO
For our affiliates' everyday business purposes - information about your transactions and experiences		YES	NO
For our affiliates' everyday business purposes - information about your creditworthiness		NO	We don't share
For our affiliates to market to you		NO	We don't share
For nonaffiliates to market to you		NO	We don't share
Questions?	Call 1-800-258-2930 or go to https://www2.Chubb.com/us-en/privacy.aspx		

Who is providing this notice?

The Chubb Group. A list of these companies is located at the end of this document.

What we do**How does Chubb Group protect my personal information?**

To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.

We restrict access to personal information to our employees, affiliates' employees, or others who need to know that information to service the account or to conduct our normal business operations.

How does Chubb Group collect my personal information?

We collect your personal information, for example, when you

- apply for insurance or pay insurance premiums
- file an insurance claim or provide account information
- give us your contact information

We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.

Why can't I limit all sharing?

Federal law gives you the right to limit only

- sharing for affiliates' everyday business purposes - information about your creditworthiness
- affiliates from using your information to market to you
- sharing for nonaffiliates to market to you

State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law.

Definitions**Affiliates**

Companies related by common ownership or control. They can be financial and nonfinancial companies.

- Our affiliates include those with a Chubb name and other companies, such as Westchester Fire Insurance Company and Great Northern Insurance Company.

Nonaffiliates

Companies not related by common ownership or control. They can be financial and nonfinancial companies.

- Chubb does not share nonaffiliates so they can market to you.

Joint Marketing

A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

- Our joint marketing partners include categories of companies such as banks.

Other Important Information

For Insurance Customers in AZ, CA, CT, GA, IL, MA, ME, MN, MT, NV, NC, NJ, OH, OR, and VA only: Under state law, under certain circumstances, you have the right to see the personal information about you that we have on file. To see your information, write Chubb Group Attention: Privacy Inquiries, 202 Hall's Mill Road, P.O. Box 1600, Whitehouse Station, NJ 08889-1600. Chubb may charge a reasonable fee to cover the costs of providing this information. If you think any of the information is not accurate, you may write us. We will let you know what actions we take. If you do not agree with our action, you may send us a statement. If you want a full description of privacy rights that we will protect in accordance with the law in your home state, please contact us and we will provide it. We may disclose information to certain third parties, such as law enforcement officers, without your permission.

For Nevada residents only: We may contact our existing customers by telephone to offer additional insurance products that we believe may be of interest to you. Under state law, you have the right to opt out of these calls by adding your name to our internal do-not-call list. To opt out of these calls, or for more information about your opt out rights, please contact our customer service department. You can reach us by calling 1-800-258-2930, emailing us at privacyinquiries@Chubb.com, or writing to Chubb Group, Attention: Privacy Inquiries, 202 Hall's Mill Road, P.O. Box 1600, Whitehouse Station, NJ 08889-1600. You are being provided this notice under Nevada state law. In addition to contacting Chubb, Nevada residents can contact the Nevada Attorney General for more information about your opt out rights by calling 775-684-1100, emailing bcpinfo@ag.state.nv.us, or by writing to: Office of the Attorney General, Nevada Department of Justice, Bureau of Consumer Protection, 100 North Carson Street, Carson City, NV 89701.

For Vermont residents only: Under state law, we will not share information about your creditworthiness within our corporate family except with your authorization or consent, but we may share information about our transactions or experiences with you within our corporate family without your consent.

Chubb Group Companies Providing This Notice

This notice is being provided by the following Chubb Group companies to their customers located in the United States: ACE American Insurance Company, ACE Capital Title Reinsurance Company, ACE Fire Underwriters Insurance Company, ACE Insurance Company of the Midwest, ACE Life Insurance Company, ACE Property and Casualty Insurance Company, Agri General Insurance Company, Atlantic Employers Insurance Company, Bankers Standard Fire and Marine Company, Bankers Standard Insurance Company, Century Indemnity Company, Chubb Custom Insurance Company, Chubb Indemnity Insurance Company, Chubb Insurance Company of New Jersey, Chubb Lloyds Insurance Company of Texas, Chubb National Insurance Company, Executive Risk Indemnity Inc., Executive Risk Specialty Insurance Company, Federal Insurance Company, Great Northern Insurance Company, Illinois Union Insurance Company, Indemnity Insurance Company of North America, Insurance Company of North America, Pacific Employers Insurance Company, Pacific Indemnity Company, Penn Millers Insurance Company, Texas Pacific Indemnity Company, Vigilant Insurance Company, Westchester Fire Insurance Company and Westchester Surplus Lines Insurance Company.



Premium Discount Summary

CHUBB

Name and address of Insured:

FARAMARZ AND KATRIN HEDVAT
7 KENILWORTH TERRACE
KINGS POINT, NY 11024

Page: 1

Policy no: 14678193-01

Policy period: 9/8/21 to 9/8/22

We know that you've worked hard for what you own and want to protect it. We also know that saving money is important to you. You can take advantage of a variety of discounts offered by Chubb. Here is a list of some of the discounts you're already receiving.

You have the power to reduce your premiums.

Your insurance cost could have been [REDACTED] but you took action and received [REDACTED] in discounts. Your premium was reduced to [REDACTED]

Overview

Your Discount

Homes and Contents

That's a homeowner savings of [REDACTED]

House at:

7 KENILWORTH TERRACE, KINGS POINT, NY

- 7% for taking steps toward superior protection including:
 - A permanently installed back-up generator
 - 24-hour signal continuity on your alarm systems
- 22% for having a newer home
- 15% because this location meets superior building codes
- 10% because you also insure your automobile(s) with Chubb
- 7.5% because you also insure your valuable articles with Chubb
- 2.5% for being a long-time customer combined with your loss history
- 2.5% since your owned residence has no mortgage or lien
- A reduction for having a burglar alarm that meets our criteria
- A reduction for having a fire alarm that meets our criteria

Premium Discount Summary

Page: 2

Policy no. 14678193-01

Name FARAMARZ AND KATRIN HEDVAT

Overview

Your Discount

Excess Liability

Your excess liability is [REDACTED] off.

[REDACTED] because you also have insured your automobile(s) with Chubb.

- [REDACTED] for having more vehicles than insured drivers

Please note: This document may not reflect all of the discounts you are receiving on your Chubb insurance policy. To review all of the discounts available from Chubb, please contact your agent or broker, as he or she is always your best source of information and advice.

Masterpiece®

CHUBB

Name and address of Insured
FARAMARZ AND KATRIN HEDVAT
7 KENNILWORTH TERRACE
KINGS POINT, NY 11024

Effective Date 9/8/21
Policy no. 14678193-01
Issued by Chubb National Insurance Company
a stock insurance company
incorporated in Indiana
Policy period 9/8/21 to 9/8/22

If you have any questions, please contact
THE HILB GROUP OF NY LLC DBA HIRAM COHEN
& SON
486 WILLIS AVENUE
WILLISTON PARK, NY 11596
516.742.7180

IMPORTANT NOTICE

All of the members of the Chubb Group of Insurance companies doing business in the United States (hereinafter "Chubb") distribute their products through licensed insurance brokers and agents ("producers"). Detailed information regarding the types of compensation paid by Chubb to producers on US insurance transactions is available under the Producer Compensation link located at the bottom of the page at www.chubb.com, or by calling 1-866-588-9478. Additional information may be available from your producer.

Thank you for choosing Chubb.



CHUBB®

Name and address of Insured

FARAMARZ AND KATRIN HEDVAT
7 KENILWORTH TERRACE
KINGS POINT, NY 11024

Premise Location

7 KENILWORTH TERRACE
KINGS POINT
NY, 11024

Effective Date 9/8/21

Policy no. 14678193-01

Issued by Chubb National Insurance Company
a stock insurance company
incorporated in Indiana

Policy period 9/8/21 to 9/8/22

If you have any questions, please contact
THE HILB GROUP OF NY LLC DBA HIRAM COHEN
& SON
486 WILLIS AVENUE
WILLISTON PARK, NY 11596
516.742.7180

To Our Valued New York Customer:

Please note that your *Masterpiece*® policy includes a special 5% wind (hurricane) deductible for the premises location listed above.

The potential for serious loss resulting from hurricanes continues to be of utmost concern to us. Our challenge is to balance the individual needs of our customers with our need to prudently manage our maximum loss exposure from severe storms. We would like to take this opportunity to remind you that a special wind deductible applies for the premises location listed above. Your Coverage Summary describes how the special wind deductible applies to a covered wind loss for the premises location listed above. We thought it would be useful to review how the special wind deductible in your current policy would apply.

Special Wind (Hurricane) Deductible

As explained in your policy, a special wind deductible is the amount for which you are responsible in the event of a covered loss caused by wind from a hurricane. "Hurricane" means a category 1 or higher hurricane which makes landfall:

- in any part of New York as declared by the National Weather Service; or
 - outside of the state of New York but hurricane force winds are present in the New York "county" in which the loss occurs as declared by the National Weather Service,
- and which,
- begins 24 hours prior to determination by the National Weather Service that hurricane force winds with wind speeds measuring category 1 or higher exist in any part of the state of New York;
 - continues for the timeframe during which hurricane conditions exist anywhere in the state of New York; and
 - ends 12 hours after category 1 or higher hurricane force winds cease to be present in any "county" as declared by the National Weather Service.

"County" means any one or more of the following state of New York counties: Bronx, Kings, Nassau, New York (Manhattan), Queens, Richmond, Suffolk and Westchester.

The actual dollar amount of the special wind deductible is calculated as a percentage of the amount of your house coverage as shown in your Coverage Summary, up to a maximum deductible of \$50,000 which you have purchased. The percentage and dollar amount of your New York wind deductible is shown in your Coverage Summary. Please be aware that the wind deductible applies to your aggregate loss including loss to your residence, the contents of your residence, and to the Extra Coverages in your policy, including Other permanent structures. However, the wind deductible does not apply to the Extra Coverage, Additional living expenses.



Special Wind (Hurricane) Deductible Examples

The following illustrates, as an example, how a special wind deductible with a maximum dollar amount works. Example 1 has a 5% wind deductible with a maximum special wind deductible of \$50,000. Example 2 has a 3% wind deductible with a maximum special wind deductible of \$50,000. Your wind deductible percentage and dollar amount, and amount of house coverage is shown in your Coverage Summary.

Example 1. \$1,200,000 House Coverage
\$600,000 Contents Coverage
\$240,000 Other Permanent Structures

Multiply the house coverage (\$1,200,000) by 5 percent. This equals a **\$60,000** wind deductible, but a maximum special wind deductible of **\$50,000** applies in lieu of the percentage deductible. If there is a covered loss of \$100,000 to the house, contents, and/or other permanent structures as a result of a hurricane, the maximum \$50,000 special wind deductible will be subtracted from the \$100,000 loss. **The total payment for the loss would be \$50,000.**

Example 2. \$2,000,000 House Coverage
\$1,000,000 Contents Coverage
\$400,000 Other Permanent Structures

Multiply the house coverage (\$2,000,000) by 3 percent. This equals a **\$60,000** wind deductible, but a maximum special wind deductible of **\$50,000** applies in lieu of the percentage deductible. If there is a covered loss of \$10,000 to the house, contents, and/or other permanent structures as a result of a hurricane, the \$50,000 wind deductible applies and the **total payment for the loss would be \$0.**

Your options

You have the option to choose a higher or lower wind deductible with or without a maximum deductible dollar amount based on the location of your residence premises and the amount of coverage for your house. Your premium will be lower the higher the deductible percentage if there is no maximum dollar amount. The wind deductible options available vary by location, please speak to your agent or broker to review your options.

If you plan to install storm shutters

If you choose, you can receive a premium credit and you may have the option to have your home and contents base deductible apply to a covered loss resulting from wind from a hurricane if you install storm shutters or other windstorm protection (all of which must be inspected and approved by us) on all exterior glass and skylights of your home. The installation and use of adequate storm shutters on all exterior glass and skylights of your residence is one of the most prudent actions you can take to help protect your property from storm damage. In a hurricane or severe storm, unshuttered residences are more vulnerable to serious loss from wind, wind driven debris or rain entering a residence, and wind pressure uplifting rooftops and compromising structural integrity.

If you have not already installed storm shutters or other windstorm protection but plan to do so in order to protect your property and receive a storm shutter credit, please refer to the attached copy of our Minimum Adequacy Standards for Windstorm Protection and review them with your shutter installer. When shutter installation is complete, please advise your agent or broker so that we can inspect your shutters to determine if they meet our minimum adequacy standards. If they do, we will apply the storm shutter premium credit.

If you have any questions, your agent or broker is always your best source of advice. In a world of choices, thank you for insuring through Chubb.

Customer Relations Manager
Chubb Personal Insurance

Chubb Group of Insurance Companies ("Chubb") is the marketing name used to refer to the insurance subsidiaries of The Chubb Corporation. Chubb Personal Insurance ("CPI") is the personal lines property and casualty strategic business unit of Chubb & Son, a division of Federal Insurance Company, as manager and/or agent for the Insurers of Chubb Group of Insurance Companies.

Actual coverage is subject to the language of the policy.

Chubb Personal Insurance, P.O. Box 1600, Whitehouse Station, NJ 08889-1600

MINIMUM ADEQUACY STANDARDS FOR WINDSTORM PROTECTION

General Requirements for windstorm protection

All exterior building openings must have qualified impact rated* windstorm protection devices that are in accordance with the IRC (International Residential Code) and/or all applicable state and local building codes, whichever are more stringent, relative to the wind zone in which the home is located.

- Windstorm protection devices must be installed directly on **ALL** exterior glass openings including:
 - Windows (operable and fixed), skylights, below grade and basement windows, entry doors with glass, and garage doors with glass
 - All installations must be done in compliance with manufacturers' installation specifications
 - Adequate product testing documentation for the appropriate wind zone region must be supplied to confirm impact ratings for **ALL** impact glass installations
 - All installations require that the installer obtain a building permit and have installations approved by their local building official; ensuring installation to manufacturer's specifications and state and local code
 - All installations must be inspected and approved by a Chubb representative and product documentation provided to Chubb for approval

Windstorm Protection Devices

Engineered Solutions

Storm Shutters and Panels:

All storm shutters and panels must utilize shutter system hardware that is anchored to the structure of the home, not the window or door frames. All shutter system hardware must remain on the structure at all times.

Storm Panels (aluminum, steel, or polycarbonate):

- Corrosion resistive pins (not clips) must be used to fasten panels to tracks
- Panels without tracks must be bolted to the structure with non-corrosive bolts

Accordion Shutters:

- Accordion shutters are designed for application directly to the wall around an opening
- Accordion shutters installed around porch or balcony openings must be reinforced with sturdy wood or metal bracing attached to a structural member

Roll Down Shutters:

- Motorized shutters must have a manual crank for operation during power outages
- Roll down shutters must be maintained by a professional so that they are fully functional in the event of a windstorm

Colonial, Awning or Clam Shell Style Shutters:

- Must be equipped with storm bars to prevent lifting during a storm
- Louvered shutters require 1/2" plywood, .040 gauge aluminum, or 1/8" polycarbonate sheathing affixed to the face when closed if they do not meet state and local building code impact resistance standards - (testing documentation is required to determine adequacy)

Polycarbonate Sheets (e.g., Lexan™, SentryGlas™, Saflex™):

- Must be framed and mounted in building code approved framing system in accordance with manufacturer's specifications. Framing system must have product approval number.

Wind Abatement Screen Protection (e.g., Armor Screen®, Fabric Shield™, Storm Catcher®):

- Must be designed to withstand wind and impact loads determined by wind zones

Wind/Impact Rated Windows, Doors and Skylights:

- Products must be tested and approved in compliance with IRC standards for the corresponding wind zone meeting ASTM E1886 & ASTM E1996 or TAS 201/202/203

The above listing of wind protection products is just a partial list that addresses the most common products used. Other engineered wind protection products may be considered as acceptable alternatives if written permission is obtained from Chubb, along with product documentation and an acceptable site inspection.

Unengineered Solutions

(NOTE: Unengineered Solutions may not be eligible for wind protection discounts and/or deductible changes)

Plywood Panels:

Plywood shutters are typically a less effective means of providing windstorm protection. In order to be effective, plywood panels must meet the following standards.

- All plywood installations must be attached to the structure of the building, not window or door framing
- Minimum 1/2" thickness CDX; pressure treated preferred
- Only one sheet per opening is permitted allowing for a 4" overlap on the sides
- All plywood must be pre-cut, pre-drilled, and labeled to indicate intended location
- Must be attached to structure with 1/4" #10 corrosion resistant bolts 2" or longer (for brick veneer or stone, must extend through veneer into wood framing)
- Bolts must be permanently installed year round
- Plywood can't be used to protect skylights or large glass openings that exceed the size of a single sheet of plywood

After Market Films

Commercial films that are applied to any exterior glass area on the home are **not** an approved impact resistant windstorm protective device and do not meet local and state building codes for impact resistant products.

Self - Engineered Solutions

Glazing products that are not fully assembled with a commercial manufacturing site but rather modified on site do not meet local and state building codes for an acceptable impact resistant windstorm protective device.

*Design Pressure (DP) and tempered products are not acceptable alternatives for impact rated windstorm protection devices.

2013 - General



**New York Important
Flood Insurance Notice**

CHUBB®

Name and address of Insured

FARAMARZ AND KATRIN HEDVAT
7 KENNILWORTH TERRACE
KINGS POINT, NY 11024

Effective date 9/8/21

Policy no. 14678193-01

Issued by Chubb National Insurance Company
a stock insurance company
incorporated in Indiana

Policy period 9/8/21 to 9/8/22

If you have any questions, please contact
THE HILB GROUP OF NY LLC DBA HIRAM COHEN
& SON
486 WILLIS AVENUE
WILLISTON PARK, NY 11596
516.742.7180

New York law requires us to advise you of information regarding the availability of coverage for damage caused by flood or mudslide.

Your *Masterpiece* Policy does **NOT** provide coverage for loss caused by, contributed to or in any way resulting from flood or mudslide, which is defined, in part, by the National Flood Insurance Program as:

A general and temporary condition of partial or complete inundation of normally dry land areas from overflow of inland or tidal waters or from the unusual and rapid accumulation of surface waters from any source.

If you are required by your mortgage lender to have flood insurance on your property, or if you feel that your property is susceptible to flood damage, insurance covering damage from flood is available on most buildings and contents in participating communities through the National Flood Insurance Program.

Information about flood insurance and whether your community participates in the program can be obtained from your Chubb agent or broker, or directly from the National Flood Insurance Program by calling 1-800-638-6620 or via their website at <http://www.floodsmart.gov>.



**Homeowners Consumer Disclosure
for New York**

CHUBB

Name and address of Insured

FARAMARZ AND KATRIN HEDVAT
7 KENILWORTH TERRACE
KINGS POINT, NY 11024

Effective Date 9/8/21

Policy no. 14678193-01

Issued by Chubb National Insurance Company
a stock insurance company
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**CONSUMER DISCLOSURE STATEMENT - NEW YORK HOMEOWNERS
RENEWAL**

In connection with this insurance, we previously used a credit report or obtained or used a credit-based insurance score based on information contained in that report. We may obtain or use credit information again provided, however, that upon renewal such information may only be used to reduce premiums. An insurance score uses information from your credit report to help predict how often you are likely to file claims and how expensive those claims will be. Typical items from a credit report that could affect a score include, but are not limited to, the following: payment history, number of revolving accounts, number of new accounts, the presence of collection accounts, bankruptcies and foreclosures. The information used to develop the insurance score comes from LexisNexis.

If you have any questions regarding this disclosure please contact:

Chubb Personal Risk Services
Attention: Consumer Report Unit
PO Box 1600
Whitehouse Station, NJ 08889-1600
866-324-8222



**Valuable Articles
Coverage Changes**

CHUBB®

In order to continually provide some of the finest insurance products available, we periodically make changes to our state contracts. Below is a convenient summary of a current change for your state.

**Policy no. 14678193-01
Policy period 9/8/21 to 9/8/22**

Dear Valued Client,

We are pleased to enclose the renewal of your **Masterpiece®** Valuable articles policy. Please be aware that it contains the following changes to your Introduction page.

- We added a definition for "Cyber attack" to the Definitions section of your Introduction page.

As part of our commitment to provide unrivaled service and coverages that suit your lifestyle at a competitive price, we are also introducing the following policy change.

We introduced a new exclusion, Cyber attack, to our Valuable articles coverage. In addition, we revised the exclusion, Computer error, to reinforce our intent that we do not cover the cost to correct a malfunction, error, or deficiency to a computer. However, we do cover an otherwise covered loss if damage results solely to, on or upon your insured property, unless another exclusion applies.

We recommend that you take some time to review your policy carefully, as it alone fully describes the coverages you have purchased. If you have any questions or need assistance, your agent or broker, is always the best source of information and advice.

Thank you for insuring with Chubb. We appreciate your business.

www.chubb.com email: customercare@chubb.com

Chubb is the marketing name used to refer to subsidiaries of Chubb Limited providing insurance and related services. For a list of these subsidiaries, please visit our website at www.chubb.com. Insurance provided by U.S. based Chubb underwriting companies. All products may not be available in all states. Coverage is subject to the language of the policies as actually issued. Surplus lines insurance sold only through licensed surplus lines producers. Chubb Personal Risk Services, P.O. Box 1600, Whitehouse Station, NJ 08889-1600.



Change Overview for New York

CHUBB®

In order to continually provide some of the finest insurance products available, we sometimes make changes to our state contracts. Below is a convenient summary of current changes for your state.

Policy no. 14678193-01
Policy period 9/8/21 to 9/8/22

Dear Valued Client:

We are pleased to enclose the renewal of your *Masterpiece®* policy. Please be aware that it contains the following changes to your Introduction page:

- We added the definition of "Cyber-attack" to the Definitions section of your Introduction page.

If you have New York personal liability or excess liability coverages on your policy, we have also included a Summary of Coverage Changes explaining some important changes to those coverages with an edition date of May 24, 2021 or later. The goal of all such changes is to provide you with greater value over time by controlling the cost of your insurance, affording new or enhanced coverages that better meet your needs and expectations, and reinforcing the intent of certain policy language.

We recommend that you take some time to review your policy carefully, as it alone fully describes the coverages you have purchased. If you have any questions or need assistance, your agent or broker is always the best source of information and advice.

Thank you for insuring with Chubb. We appreciate your business.

www.chubb.com email: customer care@chubb.com

Chubb is the marketing name used to refer to subsidiaries of Chubb Limited providing insurance and related services. For a list of these subsidiaries, please visit our website at www.chubb.com. Insurance provided by U.S. based Chubb underwriting companies. All products may not be available in all states. Coverage is subject to the language of the policies as actually issued. Surplus lines insurance sold only through licensed surplus lines producers, Chubb Personal Risk Services, P.O. Box 1600, Whitehouse Station, NJ 08889-1600



Summary of Coverage Changes
New York
Personal Liability Coverage and Excess Liability Coverage
Edition Date of May 24, 2021

The following is not your actual insurance policy, but rather a summary description of the changes to *Masterpiece*® liability coverages provided for your convenience. Please read the terms, conditions and exclusions of your *Masterpiece* policy for the precise coverage afforded. Not all coverage changes listed below may apply to you. Some coverage changes do not apply to every type of liability coverage we offer. Only descriptions of coverage changes that apply to the liability coverage types listed above are noted. Your payment of the renewal premium indicates acceptance of these changes.

Changes applicable to Personal Liability Coverage and Excess Liability Coverage

Large watercraft

We revised the exclusion to apply to owned large watercraft and large watercraft rented by, furnished to, or made available to a covered person for longer than 30 days.

Molestation, misconduct or abuse

We revised the Exclusion, Molestation, misconduct or abuse, to reinforce our intent that this exclusion applies to the entirety of all allegations in any claim or suit.

Business pursuits

We revised the Exclusion, Business pursuits, to reinforce our intent that we do not cover any business related to cannabis or any product containing Tetrahydrocannabinol (THC).

Covered person's or dependent's personal injury

We revised the Exclusion, Covered person's or dependent's personal injury, to reinforce our intent that "a person who lives with you" does not include a temporary guest.

Changes applicable to Personal Liability Coverage only

Definition of "Personal asset protection entity"

We revised the definition of "Personal asset protection entity" to clarify that the entity must be formed by you or on your behalf.

Rented or borrowed vehicles

We broadened this Extra Coverage by increasing the number of days for the rental or loan from **30 to 60**. We also reinforced our intent that this Extra Coverage is provided to a covered person while a passenger using a non-owned vehicle used as a public or livery conveyance. In addition, we have reinforced intent that coverage is provided for damages caused when the rented or borrowed vehicle is stolen.

Motorized land vehicles

We revised this Exclusion to reinforce our intent that this exclusion does not apply to unregistered vehicles used solely to service the residence premises.

Employees

We revised the Exclusion, Employees, to exclude damages arising out of acts of employees of a personal asset protection entity except for the provision of in-home healthcare to a covered person.



Coverage Summary Renewal

CHUBB®

Name and address of Insured

FARAMARZ AND KATRIN HEDVAT
7 KENNILWORTH TERRACE
KINGS POINT, NY 11024

Page 1

Effective date 9/8/21

Policy no. 14678193-01

Issued by Chubb National Insurance Company
a stock insurance company
incorporated in Indiana

Policy period 9/8/21 to 9/8/22

If you have any questions, please contact
THE HILB GROUP OF NY LLC DBA HIRAM COHEN
& SON
486 WILLIS AVENUE
WILLISTON PARK, NY 11596
516.742.7180

This Coverage Summary is part of your policy. **PLEASE READ YOUR POLICY CAREFULLY, INCLUDING THIS COVERAGE SUMMARY, FOR A COMPLETE DESCRIPTION OF YOUR COVERAGES.**

Homes and Contents

Your policy provides coverage against physical loss if your home or its contents are damaged, destroyed, or lost. The kinds of losses that are covered, and any special limits that apply, are explained in detail in the policy.

Address	Dwelling	Contents
HOUSE AT 7 KENNILWORTH TERRACE KINGS POINT, NY	\$9,469,000 DELUXE COVERAGE	\$4,734,500 DELUXE COVERAGE
	EXTENDED REPLACEMENT COST	REPLACEMENT COST

The base deductible for each occurrence is \$25,000. We will waive the base deductible for covered losses of more than \$50,000 except for covered losses subject to any special deductibles. Special deductibles include the vacant house deductible, water backup deductible, wind or hail deductible, and earthquake deductible.

Additional coverages or conditions

Wind deductible

In lieu of the base deductible, \$25,000, a special 5% wind (hurricane) deductible applies to your house, contents and extra coverages at
7 KENNILWORTH TERRACE, KINGS POINT, NY

for each occurrence caused by, contributed to, made worse by, or in any way resulting from wind from a hurricane. "Hurricane" means a category 1 or higher hurricane which makes landfall:

- in any part of New York as declared by the National Weather Service; or
- outside of the state of New York but hurricane force winds are present in the New York "county" in which the loss occurs as declared by the National Weather Service, and which,
- begins 24 hours prior to determination by the National Weather Service that hurricane force winds with

Coverage Summary Renewal

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Effective date 9/8/21

Policy no. 14678193-01

Name FARAMARZ AND KATRIN HEDVAT

Homes and Contents

(Continued)

- wind speeds measuring category 1 or higher exist in any part of the state of New York;
- continues for the timeframe during which hurricane conditions exist anywhere in the state of New York; and
- ends 12 hours after category 1 or higher hurricane force winds cease to be present in any "county" as declared by the National Weather Service.

"County" means any one or more of the following state of New York counties: Bronx, Kings, Nassau, New York (Manhattan), Queens, Richmond, Suffolk and Westchester.

The dollar amount of this special wind deductible is equal to 5% of the amount of coverage for the house at this location as shown in the Coverage Summary at the time of a covered loss. The dollar amount of the special wind deductible for this location would be \$473,450, however, because you have purchased a maximum special wind deductible of \$50,000, the dollar amount of the special wind deductible for this location is \$50,000.

If more than one special deductible applies to a covered loss (other than the construction special deductible), and the dollar amount of any of these special deductibles is greater than the maximum special wind deductible of \$50,000, the special deductible with the greatest dollar amount applies to the covered loss. If the dollar amount of the base deductible is greater than the dollar amount of the applicable special deductible, the dollar amount of that special deductible is increased to the dollar amount of the base deductible.

Mold remediation expense limit

In addition to the standard \$20,000 mold remediation expense limit, you have 10% of the amount of coverage for your house as shown in the Coverage Summary at the time of a covered loss for mold remediation expenses for your residence at 7 KENILWORTH TERRACE, KINGS POINT, NY.

This limit does not increase the amount of coverage for your house, other permanent structures or contents (if coverage is provided under this policy) and will not be affected by any increase in the amount of house coverage caused by the application of extended replacement cost payment basis.

Important notice regarding mold remediation expense limit

To increase the limit for mold remediation expenses, you must contact your agent or broker shown at the top of this Coverage Summary prior to the effective date of this renewal. The request will be subject to underwriting acceptance. You may decrease the limit shown above at any time.

Other permanent structures

You have up to \$473,500 of Other permanent structures coverage for your residence at 7 KENILWORTH TERRACE, KINGS POINT, NY.

The first paragraph of **Extended replacement cost** payment basis in Deluxe House Coverage is deleted and replaced with the following for this location: **Extended replacement cost**. If the payment basis is extended replacement cost, and the loss is to your house, we will pay the reconstruction cost even if the

Coverage Summary Renewal

CHUBB®

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Effective date 9/8/21

Policy no. 14678193-01

Name FARAMARZ AND KATRIN HEDVAT

Homes and Contents

(Continued)

amount is greater than the amount of coverage for your house as shown in the Coverage Summary. If the reconstruction cost of other permanent structures exceeds the amount of coverage for other permanent structures as shown in the Coverage Summary, we will pay up to 25% more than this amount of coverage, if necessary, for the reconstruction cost.

Valuable Articles

This policy provides you with coverage against physical loss if your valuable articles are lost, damaged, or destroyed. The kinds of losses that are covered, and any special limits that apply, are explained in detail in the policy.

Blanket coverage

We will pay up to the amount shown in the following chart for each category of valuable articles. However, the most we will pay for any one article is the blanket limit per item shown for that category.

Itemized articles

The amount of coverage for your valuable articles is shown in the following chart. A list of your itemized valuable articles, and the specific coverage amounts, can be found at the end of the Coverage Summary.

Class	Amount of blanket coverage	Blanket limit per item	Amount of itemized coverage
JEWELRY	\$ 250,000	\$ 50,000	NO COVERAGE
FINE ARTS	\$ 250,000	\$ 50,000	NO COVERAGE

There is no deductible for this coverage.

Family ProtectionSM Coverage

Your policy provides you with Family Protection Coverage for carjacking, hijacking, child abduction, stalking threat, home invasion, air rage, road rage, and cyberbullying occurrences. The kinds of losses that are covered, and any limits that apply, are explained in detail in the policy.

Coverage Summary Renewal

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Effective date 9/8/21

Policy no. 14678193-01

Name FARAMARZ AND KATRIN HEDVAT

Liability

Amount of liability coverage: **\$5,000,000.**

This is the total amount of your liability coverage. It applies to all property for which you have liability coverage, as shown in the following chart.

Your liability coverage covers damages for which you are legally responsible. For each occurrence, we will pay up to the amount of your liability coverage, as explained in your policy.

However, when you have **excess** liability only, we will pay for a covered loss **only** after the loss exceeds the required primary underlying insurance shown in your policy. This applies whether you have other liability coverage provided under a separate policy with us or by another insurance company.

Home	HOUSE AT 7 KENILWORTH TERRACE KINGS POINT, NY	PERSONAL LIABILITY
Vehicle	2005 MERCE G500	EXCESS LIABILITY ONLY
	2018 MERCEDES-BENZ G63AMG	EXCESS LIABILITY ONLY
	1996 PORSCHE 911	EXCESS LIABILITY ONLY
	2020 BMW X5 M50i	EXCESS LIABILITY ONLY
	2020 BMW 330 Xi	EXCESS LIABILITY ONLY
	2020 BMW M8	EXCESS LIABILITY ONLY
	2021 LAMBORGHINI URUS	EXCESS LIABILITY ONLY

**Coverage Summary
Renewal**

CHUBB®

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Effective date 9/8/21

Policy no. 14678193-01

Name FARAMARZ AND KATRIN HEDVAT

Liability

(Continued)

Whenever vehicles are shown, we have included the type of UM coverage you have selected. The amount of UM/SUM which appears in the Special Vehicle Coverages section, is determined by where the vehicle is garaged.

As the duly authorized representative of the company my signature validates this policy.



Paul N. Morrissette
Authorized representative



Additional Interests Summary

CHUBB®

Name and address of Insured

FARAMARZ AND KATRIN HEDVAT
7 KENNILWORTH TERRACE
KINGS POINT, NY 11024

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Effective date 9/8/21

Policy no. 14678193-01

Issued by Chubb National Insurance Company
a stock insurance company
incorporated in Indiana

Policy period 9/8/21 to 9/8/22

If you have any questions, please contact
THE HILB GROUP OF NY LLC DBA HIRAM COHEN
& SON
486 WILLIS AVENUE
WILLISTON PARK, NY 11596
516.742.7180

This summary lists the Additional Interests you have requested to be shown on your policy. We notify each Additional Interest separately. Regardless of the number of Additional Interests shown on your policy, the amount of coverage for any one occurrence does not increase.

Limited Liability Company

This section shows the Limited Liability Company(s) for your home(s) shown below.

Address

HOUSE AT
7 KENNILWORTH
TERRACE
KINGS POINT, NY

Limited Liability Company

EMPIRE CUSTOM HOMES II
LLC
445 NORTHERN BLVD SUITE
19
GREAT NECK, NY 11021

Applicable to: Property and
Liability



Table of Contents

CHUBB®

Name and address of insured

FARAMARZ AND KATRIN HEDVAT
7 KENNILWORTH TERRACE
KINGS POINT, NY 11024

Effective date 9/8/21**Policy no.** 14678193-01**Issued by** Chubb National Insurance Company
a stock insurance company
incorporated in Indiana**Policy period** 9/8/21 to 9/8/22

If you have any questions, please contact
THE HILB GROUP OF NY LLC DBA HIRAM COHEN
& SON
486 WILLIS AVENUE
WILLISTON PARK, NY 11596
516.742.7180

This table of contents lists your policy provisions. Please attach this table of contents to your policy so you have a current list of your coverages at all times.

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Deluxe Contents Coverage	11/17	N Y	C-1
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Policy Information Notice	11/17	N Y	



This is your Chubb Masterpiece Policy. Together with your Coverage Summary, it explains your coverages and other conditions of your insurance in detail.

This policy is a contract between you and us. **READ YOUR POLICY CAREFULLY** and keep it in a safe place.

Agreement

We agree to provide the insurance described in this policy in return for your premium and compliance with the policy conditions.

Definitions

In this policy, we use words in their plain English meaning. Words with special meanings are defined in the part of the policy where they are used. The few defined terms used throughout the policy are defined here:

You means the person named in the Coverage Summary, and a spouse who lives with that person.

For your New York coverages, the following definition of **Spouse** is added:

Spouse means a partner in marriage or a domestic partner registered under state law and who lives with you.

We and us mean the insurance company named in the Coverage Summary.

Family member means your relative who lives with you, or any other person under 25 in your care or your relative's care who lives with you, or a student under 25 in your care temporarily away at school who is a resident of your household.

Policy means your entire Masterpiece Policy, including the Coverage Summary and any Mortgagee's Coverage Summary.

Coverage Summary means the most recent Coverage Summary we issued to you, including any subsequent Coverage Updates.

Occurrence means a loss or accident to which this insurance applies occurring within the policy period. Continuous or repeated exposure to substantially the same general conditions unless excluded is considered to be one occurrence.

Business means any employment, trade, occupation, profession, or farm operation including the raising or care of animals.

Cyber attack means the following malicious or fraudulent acts: unauthorized access to or use of electronic data processing property; alteration, corruption, damage, reduction in functionality, manipulation, misappropriation, theft, deletion, or destruction of electronic data processing property; transmission or introduction of a computer virus or harmful code, including ransomware, into electronic data processing property; or restriction or inhibition of access targeted at or directed against electronic data processing property.

Cyber attack does not mean the following non-malicious acts: human operating error or omission, including the choice of the program used, an error in setting parameters or any inappropriate single intervention by

Introduction

Definitions

(Continued)

you, a family member, or a third party providing services to you; mistakes in legitimate electronic code or damage from code installed on your electronic data processing property during the manufacturing process, upgrade process, or normal maintenance; or power failure, surge or diminution of electronic systems.

This part of your Masterpiece Policy provides you with coverage against all risk of physical loss to your house unless stated otherwise or an exclusion applies.

"House" means the main one-family or two-family dwelling at each New York location with Deluxe House Coverage shown in the Coverage Summary.

Payment for a Loss

Amount of coverage

The amount of coverage for each house for each occurrence is shown in the Coverage Summary.

To help you and us agree on the appropriate amount of coverage, we may, but are not obligated to, conduct appraisals of your house and other permanent structures and also make periodic adjustments to the amount of coverage. It is your duty to advise us of additions, alterations or renovations to your house or other permanent structures at the beginning of, throughout, and at the completion of construction so that the amount of coverage for your house or other permanent structures can be adjusted to maintain an appropriate amount of coverage based on the construction cost information you provide.

At the time of a covered loss, the amount of coverage for your house will be adjusted to include any increase in the United States Consumer Price Index calculated from the beginning of the policy period.

Deductibles

A deductible is that amount we will subtract from the amount of a covered loss in determining the amount we will pay. Either the base deductible listed in the Coverage Summary or one or more of the special deductibles applies to each occurrence, unless stated otherwise.

Special deductibles. If more than one special deductible applies to a covered loss (other than the construction special deductible), the special deductible with the greatest dollar amount applies to the covered loss.

If the construction deductible applies to a covered loss, and one or more other special deductibles also apply, the dollar amount of the construction deductible will be combined with the greatest dollar amount of any other applicable special deductible, and the total amount of **both** deductibles will be applied to the covered loss.

Construction deductible. In lieu of the base deductible, a 5% construction special deductible applies to each occurrence if at any time during the policy period:

- you are newly constructing your house;
- you are newly constructing an other permanent structure which will equal or exceed 10% of the amount of coverage for the house as shown in the Coverage Summary at the time of a covered loss; or
- you are constructing additions, alterations, or renovations to your house or an other permanent structure which will equal or exceed the lesser of 10% of the amount of coverage for the house at the time of a covered loss or \$500,000, and you or your agent did not notify us, and the covered loss commenced at such house or other permanent structure.

Deluxe House Coverage

Payment for a Loss

(continued)

This construction special deductible applies to your house, contents and extra coverages. The dollar amount of this deductible is equal to 5% of the amount of coverage for the house as shown in the Coverage Summary at the time of a covered loss.

If the dollar amount of the base deductible is greater than the dollar amount of the construction special deductible, the dollar amount of the construction special deductible is increased to the dollar amount of the base deductible. This construction special deductible applies in addition to the greatest of any other special deductible that applies to the covered loss.

Vacant house deductible. In lieu of the base deductible, a 5% vacant house special deductible applies to each occurrence if your house has been substantially empty of furnishings and contents for more than 30 consecutive days at the time of a covered loss, and you did not notify us it would be vacant. This deductible applies to your house, contents and extra coverages. The dollar amount of this deductible is equal to 5% of the amount of coverage for the house as shown in the Coverage Summary at the time of a covered loss. If your house coverage amount is increased because of extended replacement cost, the deductible will be based on the increased amount. However, if more than one special deductible applies to a covered loss (other than the construction special deductible), the special deductible with the greatest dollar amount applies to the covered loss. If the dollar amount of the base deductible is greater than the dollar amount of the applicable special deductible, the dollar amount of that special deductible is increased to the dollar amount of the base deductible.

Payment basis

Your Coverage Summary indicates the payment basis for each house.

"Reconstruction cost" means the lesser of the amount required at the time of loss to repair, replace or rebuild, at the same location, your house or any other permanent structure, using like design, and materials and workmanship of comparable kind and quality.

"Reconstruction cost" does not include any amount required for:

- the excavation, replacement or stabilization of land under or around your house or any other permanent structure;
- conforming to any law or ordinance that regulates the repair, replacement, rebuilding or demolition of your house or any other permanent structure; or
- removing the debris of a covered loss or the property that caused a covered loss.

Extended replacement cost. If the payment basis is extended replacement cost, we will pay the reconstruction cost even if this amount is greater than the amount of coverage for your house as shown in the Coverage Summary or the amount of coverage for other permanent structures as shown in the Coverage Summary.

Extended replacement cost is provided on the condition that you maintain at least the amount of coverage for your house and other permanent structures as previously agreed to, including any adjustments by us based on appraisals, revaluations and annual adjustments for inflation.

Deluxe House Coverage

CHUBB®

Payment for a Loss

(continued)

This payment basis is subject to the following limitations:

- If you have a covered partial loss to your house or other permanent structure and do not begin to repair, replace, or rebuild the lost or damaged property within 180 days from the date of loss or a later date if agreed to by us, we will only pay the reconstruction cost, less depreciation.
 - If you have a covered total loss to your house or other permanent structure and do not begin to replace or rebuild the lost or damaged property within 180 days from the date of loss or a later date if agreed to by us, the payment basis will be verified replacement cost.
 - If you do not repair, replace, or rebuild your house or other permanent structure at the same location, the payment basis will be verified replacement cost.
 - If at any time during any policy period of this coverage:
 - you are newly constructing your house;
 - you are newly constructing an other permanent structure which will equal or exceed 10% of the amount of coverage for the house as shown in the Coverage Summary at the time of a covered loss; or
 - you are constructing additions, alterations, or renovations to your house or an other permanent structure which will equal or exceed the lesser of 10% of the amount of coverage for the house as shown in the Coverage Summary at the time of a covered loss or \$500,000,your payment basis for your house or that other permanent structure will be conditional replacement cost. Conditional replacement cost will remain your payment basis until construction is completed.
- Your duty:** It is your duty to notify your agent or broker at the beginning of, throughout, and at the completion of construction so that the amount of coverage for your house or other permanent structures can be adjusted to maintain an appropriate amount of coverage based on the construction cost information you provide. This is to reduce the possibility of being underinsured.
- If you cannot repair, replace, or rebuild your house because your primary mortgagee or its assignees has recalled your mortgage, we will pay the reconstruction cost up to the amount of coverage shown in the Coverage Summary for your house, minus what is due to the mortgagee.

Verified replacement cost. If the payment basis is verified replacement cost, we will pay the reconstruction cost of:

- your house up to the amount of coverage shown in the Coverage Summary; and
- other permanent structures up to the amount of coverage for other permanent structures, whether or not you actually repair, replace, or rebuild.

Verified replacement cost is provided on the condition that you maintain at least 90% of the full amount of coverage we recommend for your house, including any adjustments by us based on appraisals, revaluations and annual adjustments for inflation.

If you have a covered partial loss to your house or an other permanent structure, and do not begin to repair, replace, or rebuild the lost or damaged property within 180 days from the date of loss or a later date if agreed to by us, we will only pay the reconstruction cost less depreciation.

Conditional replacement cost. If the payment basis is conditional replacement cost, our payment will be the greater of the following:

- the reconstruction cost less depreciation; or
- the proportion of the covered loss to your house or other permanent structure determined by dividing the amount of coverage for your house as shown in the Coverage Summary, by 80% of the amount required to rebuild your entire house.

Deluxe House Coverage

Payment for a Loss

(continued)

However, our payment will not exceed the lesser of:

- the reconstruction cost; or
- the amount of coverage for your house as shown in the Coverage Summary or the amount of coverage for other permanent structures.

If you have a covered partial loss to your house or an other permanent structure, and do not begin to repair, replace or rebuild the lost or damaged property within 180 days from the date of loss, our payment will be the lesser of the following:

- the reconstruction cost less depreciation; or
- the proportion of the covered loss to your house or other permanent structure determined by dividing the amount of coverage for your house as shown in the Coverage Summary by 80% of the amount required to rebuild your entire house.

However, our payment will not exceed the lesser of:

- the reconstruction cost; or
- the amount of coverage for your house as shown in the Coverage Summary or the amount of coverage for other permanent structures.

Mold remediation expense limit

For a covered loss to your house shown in the Coverage Summary, or its other permanent structures, or to your contents anywhere in the world if contents coverage is shown in the Coverage Summary for this location, we will not pay more than \$20,000, plus any additional amount shown in the Coverage Summary for mold remediation expenses at this location for each occurrence for all increased costs that are mold remediation expenses described below. This mold remediation expense limit does not increase the amount of coverage for your house, other permanent structures, or contents.

This mold remediation expense limit does not apply to mold resulting from a covered loss caused by fire or lightning. Therefore, for a covered loss caused by fire or lightning, the increased costs that are mold remediation expenses described below are covered as part of such covered loss up to the amount of coverage for your house, other permanent structure, or for contents if contents coverage is provided under this policy.

"Mold remediation" means the reasonable and necessary costs for:

- testing the indoor air quality of your house or other permanent structure for mold;
- testing the surfaces and materials of your house, other permanent structure or contents for mold;
- developing a mold remediation plan; and
- implementing that mold remediation plan including the clean up, removal, containment, treatment, or disposal of mold;
- removing debris of covered property containing mold beyond that which is required to remove debris of the covered property physically damaged by a covered loss; and
- repairing or replacing covered property containing mold beyond that which is required to repair or replace the covered property physically damaged by a covered loss.

Mold remediation expenses also includes the temporary relocation expenses you incur, made necessary by mold remediation. For each occurrence, we will pay up to 20% of the total mold remediation expense limit. There is no deductible for temporary relocation expenses.

Deluxe House Coverage

CHUBB®

Payment for a Loss

(continued)

"Temporary relocation expenses" means:

- the reasonable increase in your normal living expenses that is necessary to maintain your household's usual standard of living for the reasonable amount of time required to complete mold remediation; and
- the fair rental value of that part of your house rented or held for rental, for the reasonable amount of time required to complete mold remediation, during the period of time it is usually rented.

"Contents" means personal property you or a family member owns or possesses covered by us.

"Mold" means fungi, mold, mold spores, mycotoxins, and the scents and other byproducts of any of these.

We will not make any additional payments for mold remediation expenses or temporary relocation expenses under any other part of this House Coverage or Contents Coverage.

Deluxe House Coverage

In Deluxe House Coverage, a "covered loss" includes **all risk** of physical loss to your house or other property covered under this part of your Masterpiece Policy, unless stated otherwise or an exclusion applies. Exclusions to this coverage are described in **Exclusions**.

In lieu of the definition for "business" in the Introduction, the following definition of "business" applies:

"Business" means any employment, trade, occupation, profession, or farm operation including the raising or care of animals or any activity intended to realize a benefit or financial gain engaged in on a full-time, part-time or occasional basis.

Extra Coverages

In addition to covering the physical loss to your house, we also provide other related coverages. These coverages are in addition to the amount of coverage for your house unless stated otherwise or an exclusion applies. All deductibles apply to Extra Coverages unless stated otherwise. Exclusions to these coverages are described in **Exclusions**.

Extra Coverages only apply to other permanent structures on the grounds of your house if an amount of coverage greater than zero is shown in the Coverage Summary for such other permanent structures.

Deluxe House Coverage

Extra Coverages

(continued)

Homeowner assessments

We cover your share of an assessment charged against you by your homeowners association. But the assessment must be a result of an occurrence that would be covered under:

- this policy to property owned collectively by all homeowners; or
- personal liability coverage if personal liability coverage is shown in the Coverage Summary or under any other personal insurance policy issued by a direct or indirect subsidiary of Chubb Limited providing you with personal liability coverage.

We will pay homeowner assessments resulting from loss caused by earthquake only if earthquake coverage is shown in your Coverage Summary for that location. But your earthquake special deductible, applicable to the amount of coverage for your house, as described in your Coverage Summary, applies to your share of the assessment.

If there is a loss caused by earthquake and earthquake coverage is not shown in your Coverage Summary for that location, we do insure homeowner assessments resulting from ensuing covered loss due to fire, explosion, theft or glass breakage unless an exclusion applies.

We will pay up to \$100,000, or any greater amount shown in the Coverage Summary, for any one occurrence, regardless of the number of assessments. But we will not pay more than \$5,000, or any greater amount shown in the Coverage Summary, in any one occurrence for assessments that result from a deductible in your homeowners association's insurance.

Unless an earthquake special deductible applies as stated above, there is no deductible for this coverage.

Other permanent structures

This coverage is in effect only if an amount of coverage greater than zero is shown in the Coverage Summary for Other permanent structures.

We cover other permanent structures on the grounds of your house. For each occurrence, we will pay up to the amount of coverage shown in the Coverage Summary for "other permanent structures" at this location. The same payment basis applies to other permanent structures as to the house itself unless stated otherwise in the Coverage Summary.

Additional living expenses

As described below, under certain conditions when your house or other permanent structure cannot be lived in because of a covered loss to your house or other permanent structure or, if applicable, its contents, we provide coverage for additional living expenses which consists of extra living expenses, loss of fair rental value, and forced evacuation expenses. There is no deductible for this coverage.

"Contents" means personal property you, a family member, or a domestic employee owns or possesses covered by us.

Deluxe House Coverage

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Extra Coverages

(continued)

Extra living expenses. If a covered loss makes your house or other permanent structure uninhabitable, we cover the reasonable increase in your normal living expenses that is necessary to maintain your household's usual standard of living, including the boarding of domestic animals not primarily owned or kept for business use. We will pay for the boarding of your domestic animals displaced from an other permanent structure even when you have not been displaced by the covered loss. We cover these increases to your normal living expenses for a period of time commencing with the date of loss and ending with the earliest of the following:

- the reasonable amount of time required to restore your house or other permanent structure to a habitable condition;
- the shortest amount of time required to settle elsewhere if you or members of your household permanently relocate;
- the reasonable amount of time required to restore the house or other permanent structure to the condition it was in prior to the covered loss if you are newly constructing your house or other permanent structure or constructing additions, alterations, or renovations to your house or other permanent structure at the time of a covered loss, but we will only cover the increase in your normal living expenses incurred by you; or
- up to two years from the date of loss, or a later date if agreed to by us.

However, you must inform us of your decision whether you intend to repair, replace, or rebuild the house or other permanent structure, or to permanently relocate, within 180 days from the date of loss, or a later date if agreed to by us. If you do not inform us of your decision by this date, the extra living expenses will cease in 30 days.

This period of time is not limited by the expiration of this policy.

Fair rental value. If a covered loss makes a part of your house or other permanent structure which you usually rent to others uninhabitable, we cover its fair rental value during the period of time it is usually rented for the reasonable amount of time required to restore it to a habitable condition. We will cover the fair rental value for a period of time commencing with the date of loss and ending with the earliest of the following:

- the reasonable amount of time required to restore your house or other permanent structure to a habitable condition; or
- up to two years from the date of loss, or a later date if agreed to by us.

However, you must inform us of your decision whether you intend to repair, replace, or rebuild the house or other permanent structure, within 180 days from the date of loss, or a later date if agreed to by us. If you do not inform us of your decision by this date, the coverage for fair rental value will cease in 30 days.

This period of time is not limited by the expiration of this policy.

Forced evacuation expenses. If you evacuate your house or other permanent structure due to a reasonable threat of a loss covered under this policy, or you are forced to evacuate by a civil authority as a direct result of a covered peril, we cover the reasonable increase in your normal living expenses incurred by you that is necessary to maintain your household's usual standard of living, including the boarding of domestic animals not primarily owned or kept for business use. We also cover any loss in fair rental value if your house or other permanent structure is usually held for rental, but we do not cover any loss of rents due to cancellation of a lease or agreement. However,

Deluxe House Coverage

Extra Coverages

(continued)

if we determine after the threat of loss is over that there is no covered loss to your house or other permanent structure that makes it uninhabitable, this extra coverage will cease, unless a civil authority prohibits you from use of your house or other permanent structure due to a peril covered under this policy.

We cover these forced evacuation expenses for up to 30 consecutive days, even if the policy period ends during that time.

Land

Whenever there is a covered loss to your house or other permanent structure and the related repair, replacement, or rebuilding requires excavation, replacement or stabilization of land under or around your house or other permanent structure, we will pay the necessary cost for the excavation, replacement, or stabilization of the land. The amount of coverage is 10% of the amount of the covered loss to your house or other permanent structure, but not less than \$10,000.

Landscaping

We cover trees, shrubs, plants, and lawns, which are on the grounds of your house and other permanent structures, against certain kinds of perils. These are fire, lightning, explosion, civil disturbance, vandalism, malicious mischief, theft, and loss caused by a vehicle or aircraft.

We will pay:

- up to a total of 5% of the amount of coverage for the house at which the loss occurs, unless a greater percentage is shown in the Coverage Summary, but
- not more than \$10,000 for any one tree, shrub, or plant, unless a greater amount is shown in the Coverage Summary.

If your payment basis is extended replacement cost, the 5% is applied to the increased amount of coverage.

This extra coverage does not apply to naturally occurring or native grown vegetation, including but not limited to brush, woodlands, forests, grasslands, wetlands or mangroves. We also do not cover vineyards, sod farms, tree farms, orchards, and crops grown or used primarily for business purposes.

This extra coverage applies only if you begin to repair or replace the lost or damaged property within 180 days of the date of loss, or a later date if agreed to by us.

Tree removal

Unless covered elsewhere under this policy, we will pay the reasonable expenses you incur up to a total of \$1,500 for each occurrence to remove trees fallen due to wind, hail, sleet or the weight of ice or snow. These payments apply only to fallen trees at a location shown in the Coverage Summary.

Fire or police department charges

If a fire or police department is called to protect your house or its grounds against a covered loss, we will pay up to \$1,500 for any charges imposed by law or assumed by written agreement. There is no deductible for this coverage.

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Extra Coverages

(continued)

Lock replacement

If the keys or remote unlocking devices to the exterior doors of your house or other permanent structure or to an electronic gate which you own and used solely for your house or other permanent structure, are lost or stolen, we will pay the cost to re-key or replace the locks or remote unlocking devices, whichever is less, up to \$2,000. There is no deductible for this coverage.

Debris removal

Unless covered elsewhere under this policy, we cover the reasonable expenses you incur made necessary by a covered loss to demolish damaged covered property, if necessary, and remove debris of the covered loss including the property that caused a covered loss.

Temporary precautionary repairs

After a covered loss, we cover the reasonable expenses you incur for necessary temporary precautionary repairs made solely to protect your house or other permanent structure against further covered damage. These payments do not increase the amount of coverage for your house or other permanent structures.

Construction materials

We cover the materials and supplies owned by you on the grounds of your house for use in the construction, alteration, and repair of your house or other permanent structures. These payments apply only to a covered loss, and they do not increase the amount of coverage for your house or other permanent structures.

Rebuilding to code

After a covered loss to covered property, we cover the necessary cost of conforming to any law or ordinance that requires or regulates:

- the repair, replacement, or rebuilding of the damaged portion of your house or other permanent structure made necessary by the covered loss;
- the demolition, replacement, or rebuilding of the undamaged portion of your house or other permanent structure necessary to complete the repair, replacement, or rebuilding of the damaged portion of your house or other permanent structure; or
- the demolition of the undamaged portion of your house or other permanent structure when your house or other permanent structure must be totally demolished.

However, we will not pay the cost you incur to conform to any law or ordinance that is not a direct result of the covered loss.

This coverage does not apply unless you repair, replace, or rebuild your house or other permanent structure at the same location.

GreenWise® utility expenses

As described below, if you have a covered loss to your solar, wind, or geothermal electrical power-generating system or to your alternative water system on the grounds of your house, we provide coverage for GreenWise utility expenses, which consists of power utility expenses, power utility income, and alternative water expenses. The maximum amount we will pay for all GreenWise utility expenses combined for each occurrence is \$50,000. These payments do not increase the amount of coverage for your house or other permanent structures. There is no deductible for this coverage.

Deluxe House Coverage

Extra Coverages

(continued)

Power utility expenses. If a covered loss to your solar, wind, or geothermal electrical power-generating system on the grounds of your house makes it necessary for you to purchase all of your electrical power from a power utility company, we cover the increase in these utility expenses for the reasonable amount of time required to restore or replace the system, even if the policy period ends during that time.

Power utility income. If a covered loss to your solar, wind, or geothermal electrical power-generating system on the grounds of your house causes a loss of your power utility income, we cover this loss of your power utility income for the reasonable amount of time required to restore or replace the system, even if the policy period ends during that time.

"Power utility income" means income paid to you, or renewable energy certificates or other similar monetary credits issued to you, by a power utility company for income or credits you earn from the excess electrical power produced by your solar, wind, or geothermal electrical power-generating system. We average the income or the value of the certificates or credits over the 12-month period immediately prior to a covered loss.

Alternative water expenses. If a covered loss to your alternative water system makes it necessary for you to purchase replacement water for residential watering of the grounds of your house, we cover the increase in these water expenses for the reasonable amount of time required to restore or replace the system, even if the policy period ends during that time. However, we do not cover this increase if the covered loss is to only the system's sprinkler heads.

"Alternative water system" means a plumbing system and its components, including cisterns and holding tanks, permanently installed on the grounds of your house to supply or reuse non-potable, untreated or partially-treated household wastewater, ground water, or rain water, also called "gray water", for residential watering of the grounds of your house in accordance with your local building codes. Alternative water system does not include a water well.

Coverage for power utility expenses, power utility income, and alternative water expenses applies only if you begin to repair or replace the applicable lost or damaged solar, wind, or geothermal electrical power-generating system or your alternative water system within 180 days of the date of loss, or a later date if agreed to by us.

Water detection expense

We will reimburse you up to \$5,000 for the reasonable cost and installation of a water leak detection and control system following a covered water damage loss to your house shown in the Coverage Summary, to its other permanent structures, or to other property in these structures covered under this policy. This extra coverage applies only if:

- the amount of the covered water damage loss to covered property is \$10,000 or more prior to the application of any applicable deductible;
- the covered water damage loss is caused by a leak or break in a plumbing, heating, or air conditioning system; and
- the installation of a water leak detection and control system was the first time such a system was installed in your house or other permanent structures, which had the covered water damage loss. These payments do not increase the amount of coverage for your house or other permanent structures.

Deluxe House Coverage

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Extra Coverages

(continued)

"Water leak detection and control system" means a system in your house or its other permanent structures that monitors:

- areas containing plumbing devices, appliances, and other outlets for a water leak and if detected, closes the main water supply line; or
- unusual water flow patterns or unexpected interior water overflow and if detected, closes the main water supply line.

There is no deductible for this expense.

Generator Installation expense

We will reimburse you for the reasonable cost of labor you incurred, up to \$2,500, to install a "generator system" following a covered water damage loss to your house shown in the Coverage Summary, to its other permanent structures, or to other property in these structures covered under this policy. This extra coverage applies only if:

- the amount of the covered water damage loss to covered property is \$10,000 or more prior to the application of any applicable deductible; and
- the covered water damage loss is caused by frozen pipes or failure of sump pumps due to loss of electrical power.

These payments do not increase the amount of coverage for your house or other permanent structures.

"Generator system" means a generator that can automatically supply backup electricity to maintain operation to critical loads such as a sump pump, heating system, refrigerator or a freezer, and alarms or residential fire sprinkler system, if applicable, for your house or other permanent structures when there is a loss of electrical power.

There is no deductible for this expense.

Mine subsidence

We cover your house and other permanent structures on the grounds of your house against direct loss caused by mine subsidence.

Mine subsidence means loss caused by lateral or vertical movement of a man-made underground mine or underground mine related excavations including any resulting collapse of your house or other permanent structures on the grounds of your house, including but not limited to coal, clay, limestone, and fluorspar mines. Mine subsidence does not mean loss caused by collapse of storm and sewer drains, and rapid transit tunnels.

The amount of coverage is limited to the amount shown in the Coverage Summary.

The exclusions of loss caused by structural movement, and earth movement in this policy do not apply to mine subsidence.

Deluxe House Coverage

Exclusions

These exclusions apply to your Deluxe House Coverage, including the Extra Coverages, unless stated otherwise.

The words "caused by" mean any loss that is contributed to, made worse by, or in any way results from that peril.

Gradual or sudden loss. We do not cover any loss caused by wear and tear, gradual deterioration, rust, mold, rot, or warping. We also do not cover any loss caused by inherent vice, latent defect, or mechanical breakdown. But we do insure ensuing covered loss unless another exclusion applies.

Contamination. We do not cover any loss caused by contamination, pollution, smog, or industrial or agricultural smoke.

Loss by animals. We do not cover any loss caused by:

- bats, birds, insects, rodents, mollusks;
 - animals owned or kept by you or a family member; or
 - nesting or infestation, discharge or release of waste products or secretions by any animals.
- However, we do cover loss to glass that is part of a building, storm door, or storm window, and ensuing covered loss unless another exclusion applies.

Structural movement. We do not cover any loss caused by the settling, cracking, shrinking, bulging, or expansion of bulkheads, pavements, patios, landings, steps, footings, foundations, walls, floors, roofs, or ceilings except loss to glass that is part of a building, storm door, or storm window. But we do insure ensuing covered loss unless another exclusion applies.

Special rules for escaping water. If any of the causes of loss previously described (gradual or sudden loss, contamination, loss by animals, or structural movement) cause water to escape from a household appliance, swimming pool, or plumbing, heating, or air conditioning system, we cover the loss to covered property caused by the water. We also cover the cost of tearing out and replacing any part of a building necessary to repair the system or appliance. But we do not cover loss to the system or appliance itself.

Freezing water. We do not cover any loss caused by water freezing in a plumbing, heating, or air conditioning system, or household appliance if the house or other permanent structure is vacant, unoccupied, or being constructed, unless you used reasonable care to maintain heat in the building or shut off and drained the water system or appliance. But we do insure ensuing covered loss unless another exclusion applies.

Surface water. We do not cover any loss caused by:

- flood, accumulation of rainwater on the ground, surface water, wave action, including tidal wave and tsunami, tides, tidal water, seiche, overflow of water from a body of water, spray or surge from any of these, even if driven by wind;
- water borne material from any of the above, including when any such waters or water borne material enters and backs up or discharges from or overflows from any sewer or drain, located outside of or on the exterior of a fully enclosed structure, including gutters, rainwater pipes, downspouts, or underground drainage systems;

Deluxe House Coverage

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Exclusions

(continued)

- run off of water or water borne material from a paved surface, driveway, walkway, patio, or other similar surface; or
- escape, overflow, discharge or release, for any reason, of water or water borne material from a canal, dam, reservoir, levee, dike, seawall, or any other boundary or containment.

However, we do insure ensuing covered loss due to fire, explosion, or theft unless another exclusion applies.

Ground water. We do not cover any loss caused by water or water borne material in the ground, or by its pressure, leakage, or seepage. But we do insure ensuing covered loss due to fire, explosion, or theft unless another exclusion applies.

Damage to outside structures. We do not cover any loss caused by freezing, thawing, or the pressure or weight of water, ice, or snow, whether driven by wind or not to any:

- fence, arbor, pavement, patio, landing or step;
- septic system, swimming pool or hot tub including their installed equipment;
- footing, foundation, wall, or any other structure or device, that supports all or part of your house or another permanent structure;
- retaining wall or bulkhead; or
- pier, wharf, dock or bridge.

However, we do insure ensuing covered loss unless another exclusion applies.

Confiscation. We do not cover any loss caused by the confiscation, destruction, or seizure of property by or under the order of any government or public authority. But if the confiscation, destruction or seizure of property was ordered by any government or public authority to prevent the spread of fire, we do provide coverage if the loss caused by fire would be covered under this part of your policy.

Computer error. We do not cover any cost to correct a malfunction, error, or deficiency in programming or instructions to a computer or in the computer itself.

Neglect. We do not cover any loss caused by your failure to use all reasonable means to protect property before, at, or after the time of a loss.

Intentional acts. We do not cover any loss caused intentionally by a person named in the Coverage Summary, that person's spouse, a family member or a person who lives with you. We also do not cover any loss caused intentionally by a person directed by a person named in the Coverage Summary, that person's spouse, a family member, or a person who lives with you. But we do provide coverage for you or a family member who is not directly or indirectly responsible for causing the intentional loss. An intentional act is one whose consequences could have been foreseen by a reasonable person.

Faulty planning, construction, or maintenance. We do not cover any loss caused by the faulty acts, errors, or omissions of you or any other person in planning, construction, or maintenance. It does not matter whether the faulty acts, errors, or omissions take place on or off the insured property. But we do insure ensuing covered loss unless another exclusion applies. "Planning" includes zoning, placing, surveying, designing, compacting, setting specifications, developing property, and establishing building codes or construction standards. "Construction" includes materials, workmanship, and parts or equipment used for construction or repair.

Deluxe House Coverage

Exclusions

(continued)

Earthquake. We do not cover any loss caused by earthquake unless shown in your Coverage Summary for that location. But we do insure ensuing covered loss due to fire, explosion, theft, or glass breakage unless another exclusion applies.

Earth movement. We do not cover any loss caused by earth movement including volcanic eruptions, landslides, mud flows, and any expansion, contracting, sinking, rising, settling, or shifting of the earth, soil, or land. This exclusion applies whether or not the earth, soil, or land is combined or mixed with water or any other liquid or natural or man-made material. However, we do cover losses caused by the eruption of a volcano when the loss is the result of:

- a volcanic blast or airborne shock waves;
- ash, dust, or particulate matter; or
- lava flow.

We also insure ensuing covered loss due to fire, explosion, theft, or glass breakage unless another exclusion applies.

Acts of war. We do not cover any loss caused by war, undeclared war, civil war, insurrection, rebellion, revolution, warlike acts by a military force or personnel, any action taken in hindering or defending against any of these, the destruction or seizure of property for a military purpose, or any consequences of any of these acts regardless of any other direct or indirect cause or event, whether covered or not, contributing in any sequence to the loss. If any act that is within this exclusion involves nuclear reaction, radiation, or radioactive contamination, this Acts of war exclusion supercedes the Nuclear or radiation hazard exclusion.

Nuclear or radiation hazard. We do not cover any loss caused by nuclear reaction, radiation, or radioactive contamination, whether controlled or uncontrolled, or any consequence of any of these, regardless of any other direct or indirect cause or event, whether covered or not, contributing in any sequence to the loss. But we do insure ensuing covered loss due to fire resulting from a nuclear reaction unless another exclusion applies.

This part of your Masterpiece Policy provides you with coverage against all risk of physical loss to your contents anywhere in the world unless stated otherwise or an exclusion applies.

"Contents" means personal property you or a family member owns or possesses.

Payment for a Loss

Amount of coverage

The amount of coverage for contents at each house for each occurrence is shown in the Coverage Summary. At the time of a covered loss, the amount of coverage for contents will be adjusted to include any increase in the United States Consumer Price Index calculated from the beginning of the policy period.

If a change in the amount of coverage for your house is made, including the application of extended replacement cost, the amount of coverage for contents will be adjusted proportionately. To reduce the possibility of being underinsured, you should periodically review your amount of coverage for contents and request an increase if you feel the amount of coverage is insufficient.

For a covered loss to contents, the amount of coverage depends on where the loss occurs:

At a house with contents coverage. If the covered loss takes place at a listed house with contents coverage in this policy, we will pay up to the amount of contents coverage for that house, for each occurrence.

Away from your residences. If the covered loss takes place away from any residence you own or live at, for each occurrence we will choose the single listed location on which the payment is to be made, based upon the most favorable combination of the following:

- amount of contents coverage
- payment basis
- type of contents coverage

Regardless of the number of policies providing you with contents coverage, payment will be made based only on this chosen location and will not be made under more than one policy.

At your residence not listed in this policy or other policies. If the covered loss takes place at a residence you own or live at that does not have contents, condominium, cooperative or renters coverage listed in this or any other policy issued by a direct or indirect subsidiary of Chubb Limited, we will pay up to 10% of the highest amount of contents coverage in this policy, for each occurrence. However, contents in a newly acquired principal residence is not subject to this limitation for the 60 days immediately after you begin to move your contents there.

We will choose the single listed location on which the payment is to be made, based upon the most favorable combination of the following:

- amount of contents coverage
- payment basis
- type of contents coverage

Regardless of the number of policies providing you with contents coverage, payment will be made based only on this chosen location and will not be made under more than one policy.

Deluxe Contents Coverage

Payment for a Loss

(continued)

Deductibles

A deductible is that amount we will subtract from the amount of a covered loss we pay. Either the base deductible listed in the Coverage Summary or one of the special deductibles applies to each occurrence, unless stated otherwise.

Payment basis

Your Coverage Summary indicates the payment basis for contents.

Replacement cost. If the payment basis is replacement cost, we will pay the full cost to replace the contents without deduction for depreciation, or the amount required to repair the damage, whichever is less, up to the amount of coverage.

However, for contents which are obsolete or unusable for the purpose for which they were originally intended because of their age or condition, the payment basis will be actual cash value.

Actual cash value. If the payment basis is actual cash value, we will pay the cost to replace the contents less depreciation, or the amount required to repair the damage, whichever is less, up to the amount of coverage.

Pairs, sets, and parts. For a covered loss to a pair or set, or to part of a larger unit, we will pay whichever is least:

- the cost to repair the damaged property to its condition before the loss;
- the cost to replace it; or
- the cost to make up the difference between its market value before and after the loss.

However, if you agree to surrender the undamaged article(s) of the pair, set, or parts to us and we agree to accept, we will pay you the full replacement cost of the entire pair, set, or parts.

Special limits

For a covered loss to each category of contents listed below, we will not pay more than the amount shown. For any one occurrence, payment will be under the category providing you with the most coverage. These special limits do not increase the amount of coverage on your contents or on any item covered elsewhere in this policy.

All loss resulting from any act or any series of similar or related acts:

- committed by any one person or group of persons acting in concert; or
- in which any person or group of persons is involved or implicated, is considered to be one loss.

Legal tender, bank notes, stored value cards, bullion, gold, silver, platinum, tokens, unrecoverable scrip, smart cards, prepaid value cards, prepaid debit cards, or gift certificates \$2,000

Deluxe Contents Coverage

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Payment for a Loss

(continued)

Securities, deeds, evidences of debt, letters of credit, notes other than banknotes, manuscripts, passports, or tickets \$5,000

This special limit includes the necessary, reasonable expense incurred if you research, replace or restore these items after a covered loss, using the most cost-effective method available.

However, when this property is located in a bank vault or bank safe deposit box, your full contents coverage away from your residences will apply for a covered loss.

Trailers \$5,000

Watercraft, including their furnishings, equipment, and outboard motors \$10,000

Golf carts \$5,000

Jewelry, watches or precious and semi-precious stones, whether set or unset, that are lost, misplaced, or stolen \$5,000

Furs that are lost, misplaced, or stolen \$5,000

Plated ware, silverware, goldware, pewterware, tableware, trays, trophies, and other household and personal articles, other than jewelry, that consist principally of sterling silver, gold, or pewter that are lost, misplaced, or stolen \$10,000

Collectible stamps, coins, and medals \$5,000

However, when this property is located in a bank vault or bank safe deposit box, your full contents coverage away from your residences will apply for a covered loss.

Guns that are lost, misplaced, or stolen. \$5,000

Grave markers or mausoleums \$10,000

Deluxe Contents Coverage

In Deluxe Contents Coverage, a "covered loss" includes **all risk** of physical loss to your contents or other property covered under this part of your Masterpiece Policy, unless stated otherwise or an exclusion applies. Exclusions to this coverage are described in **Exclusions**.

In lieu of the definition for "business" in the Introduction, the following definition of "business" applies:

"Business" means any employment, trade, occupation, profession, or farm operation including the raising or care of animals or any activity intended to realize a benefit or financial gain engaged in on a full-time, part-time or occasional basis.

Deluxe Contents Coverage

Extra Coverages

In addition to covering the physical loss to your contents, we also provide other related coverages. These coverages are in addition to the amount of coverage for your contents unless stated otherwise or an exclusion applies. All deductibles apply to Extra Coverages unless stated otherwise. Exclusions to these coverages are described in **Exclusions**.

Business property

We will pay up to \$25,000, unless a greater amount is shown in the Coverage Summary, for a covered loss to business property you own or possess. The same payment basis applies to business property as to contents, except that we will pay the necessary, reasonable cost incurred using the most cost-effective medium for replacing or recreating business data contained in books, records and software.

"Business property" means:

- furniture, supplies, equipment, inventory;
- books, records; and
- electronic data processing property, used to conduct your business.

"Electronic data processing property" means:

- electronic data processing equipment, and their accessories;
- portable devices such as smartphones, electronic reading devices, tablets, handheld computers or similar devices;
- software; and
- data stored on software.

"Business property" does not include any drones or similar unmanned device, whether used in whole or in part in a business.

Electronic data restoration

We cover your personal data and electronic contents, stored on your personal computer or electronic data processing property which you own or possess. We will pay up to \$10,000 for the necessary, reasonable expense incurred using the most cost-effective method for replacing or recreating that personal data and electronic contents as a result of a covered loss or the introduction of a computer worm, virus, or other malware. There is no deductible for this coverage.

"Electronic contents" means non-recoverable purchased eBooks, software, application software (apps), music and movie files.

"Electronic data processing property" means:

- electronic data processing equipment, and their accessories;
- portable devices such as smartphones, electronic reading devices, tablets, handheld computers or similar devices;
- software; and
- data stored on software.

Deluxe Contents Coverage

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Extra Coverages

(continued)

Account funds

We will pay up to a total of \$10,000 for the loss of your personal account funds from a financial institution due to the unauthorized use of your personal bankcard, debit card or account numbers, including unauthorized electronic fund transfers. This coverage is afforded only if there has been compliance with the terms for using the account.

All loss resulting from any act or any series of similar or related acts:

- committed by any one person or group of persons acting in concert; or
- in which any person or group of persons is involved or implicated, is considered to be one loss, even if a series of similar or related acts occurs over multiple policy periods.

"Account funds" means funds from any personal account or credit line that you or a family member may access.

"Unauthorized use" means removal of funds from your personal financial institution account without permission from you or a family member. "Unauthorized use" does not mean the removal of funds from your personal financial institution account by your spouse or family member.

Food spoilage

We cover food or wine while contained in a refrigerator or freezer which spoils due to changes or extremes of temperature caused by:

- off premises power interruption;
- interruption of premises power supply; or
- mechanical or electrical breakdown of refrigeration equipment.

This coverage applies only to spoilage which occurs at any residence you own or live at. This payment does not increase the amount of coverage for your contents. For a covered loss to wine, we will not pay more than \$5,000. Our payment is subject to a \$250 deductible, which is waived if there is another loss:

- from the same occurrence;
- covered under any part of this policy; and
- which is subject to a deductible.

Breakage of fragile articles

We will pay up to \$50,000 for loss to fragile articles resulting from breakage. Fragile articles include any type of eyeglass, crystal, china, porcelains, figurines, statues, sculpture, mirrors, bric-a-brac and similar items. Fragile articles do not include jewelry, watches, bronzes, cameras, and photographic lenses.

However, for breakage of fragile articles resulting from the perils named below, we will pay up to the amount of coverage for contents shown in your Coverage Summary. These perils are:

- fire, lightning, explosion, or smoke (except industrial or agricultural smoke);
- wind or hail;
- riot including any kind of civil commotion;
- vandalism including malicious mischief;
- earth movement, earthquake;

Deluxe Contents Coverage

Extra Coverages

(continued)

- collapse or the imminent danger of collapse of a building or part of a building;
- aircraft or vehicles;
- water;
- theft or attempted theft; or
- the sudden and accidental tearing apart, cracking, burning, or bulging of a plumbing, heating, or air conditioning system or household appliance.

We do not cover breakage of fragile articles of a house with Vacation Home House Coverage caused by earthquake unless earthquake coverage is shown in your Coverage Summary for the Vacation Home location.

These payments do not increase the amount of coverage for your contents.

Endangered property

Covered contents removed from your house because the house is endangered by a covered peril are covered against any peril for up to 90 days. These payments do not increase the amount of coverage for your contents.

Exclusions

These exclusions apply to your Deluxe Contents Coverage, including the Extra Coverages, unless stated otherwise.

The words "caused by" mean any loss that is contributed to, made worse by, or in any way results from that peril.

Gradual or sudden loss. We do not cover loss caused by wear and tear, gradual deterioration, rust, mold, rot or warping. We also do not cover any loss caused by inherent vice, latent defect or mechanical breakdown. But we do insure ensuing covered loss unless another exclusion applies.

Contamination. We do not cover any loss caused by contamination, pollution, smog, or industrial or agricultural smoke.

Loss by animals. We do not cover any loss caused by:

- bats, birds, insects, rodents, mollusks;
 - animals owned or kept by you or a family member; or
 - nesting or infestation, discharge or release of waste products or secretions by any animals.
- However, we do cover ensuing covered loss unless another exclusion applies.

Special rules for escaping water. If any of the causes of loss previously described (gradual or sudden loss, contamination, or loss by animals) cause water to escape from a household appliance, swimming pool, or plumbing, heating, or air conditioning system, we cover the loss to covered property caused by the water. But we do not cover the loss to the system or appliance itself.

Deluxe Contents Coverage

CHUBB®

Exclusions

(continued)

Freezing water. We do not cover any loss caused by water freezing in a plumbing, heating, or air conditioning system, or household appliance if the house or other permanent structure is vacant, unoccupied, or being constructed, unless you used reasonable care to maintain heat in the building or shut off and drained the water system or appliance. But we do insure ensuing covered loss unless another exclusion applies.

Surface water. We do not cover any loss caused by:

- flood, accumulation of rainwater on the ground, surface water, wave action, including tidal wave and tsunami, tides, tidal water, seiche, overflow of water from a body of water, spray or surge from any of these, even if driven by wind;
- water borne material from any of the above, including when any such waters or water borne material enters and backs up or discharges from or overflows from any sewer or drain, located outside of or on the exterior of a fully enclosed structure, including gutters, rainwater pipes, downspouts, or underground drainage systems;
- run off of water or water borne material from a paved surface, driveway, walkway, patio, or other similar surface; or
- escape, overflow, discharge or release, for any reason, of water or water borne material from a canal, dam, reservoir, levee, dike, seawall, or any other boundary or containment.

However, we do insure ensuing covered loss due to fire, explosion, or theft. We also cover surface water damage to contents away from any residence you own or live at, unless another exclusion applies.

Ground water. We do not cover any loss caused by water or water borne material in the ground, or by its pressure, leakage, or seepage. But we do insure ensuing covered loss due to fire, explosion, or theft unless another exclusion applies. We also cover ground water damage to contents away from any residence you own or live at, unless another exclusion applies.

Computer error. We do not cover any cost to correct a malfunction, error, or deficiency in programming or instructions to a computer or in the computer itself.

Business property. We do not cover any loss to business property other than as provided under Extra Coverages.

Tenant property. We do not cover any loss to property of roomers, boarders, or other tenants. But we do cover personal property of your guests, domestic workers or relatives while it is on any residence premises shown in the Coverage Summary where you or a family member live, or any other residence you do not own that you or a family member occupy.

Motorized land vehicles. We do not cover any loss to a motorized land vehicle. But we do cover motorized land vehicles used solely on and to service a residence premises shown in the Coverage Summary. We also cover motorized land vehicles used to assist the disabled that are not designed for or required to be registered for use on public roads. This exclusion does not apply to golf carts.

Special exclusions for golf carts. We do not cover any loss arising out of the ownership or operation of a golf cart when it is:

- subject to motor vehicle registration;
- used to carry people or property for a fee, or rented to others;

Deluxe Contents Coverage

Exclusions

(continued)

- used for any business purpose except if you or a family member is using the golf cart on a golfing facility while entertaining business clients;
 - used during instruction, practice, preparation for, or participation in any competitive, prearranged or organized racing, speed contest, rally, gymkhana, sports event, stunting activity, or timed event of any kind; or
 - used on a racetrack, test track or other similar course.
- We do not cover any loss to a golf cart caused by:
- overheating, or electrical or structural breakdown or failure; or
 - repairing, refinishing, renovating, or being worked on, but we do insure ensuing covered loss due to fire or explosion.

Theft of certain electronic equipment from a motorized land vehicle.

We do not cover any theft or attempted theft of:

- sound or visual reproducing, receiving, displaying and transmitting equipment;
- data processing equipment;
- global positioning systems;
- scanning monitors, radar and laser detectors; or
- any other similar equipment, including their accessories and antennas from a motorized land vehicle if the equipment is permanently installed or removable from a housing unit permanently installed in the vehicle.

Repairs and renovations. We do not cover loss caused by repairing, refinishing, or renovating contents except jewelry, watches, and furs.

Watercraft accidents. We do not cover any loss to watercraft, including its trailer, furnishings, equipment and outboard motor, caused by the sinking, swamping, stranding, capsizing, upset or collision of that watercraft or its trailer. But we do cover loss caused by the collision of that watercraft with a land vehicle unless another exclusion applies.

Dampness or temperature. We do not cover loss caused by air dampness, water vapor or temperature extremes unless the direct cause of loss is rain, snow, sleet or hail. This exclusion does not apply to the Extra Coverage for Food spoilage.

Confiscation. We do not cover any loss caused by the confiscation, destruction, or seizure of property by or under the order of any government or public authority. But if the confiscation, destruction or seizure of property was ordered by any government or public authority to prevent the spread of fire, we do provide coverage if the loss caused by fire would be covered under this part of your policy.

Breakage of fragile articles. We do not cover breakage of fragile articles, other than as provided under Extra Coverages. Fragile articles include any type of eyeglasses, crystal, china porcelains, figurines, statues, sculptures, mirrors, bric-a-brac and similar items. Fragile articles do not include jewelry, watches, bronzes, cameras, and photographic lenses.

Personal property insured with other companies. We do not cover loss to personal property separately described and insured with a specific value or insured on a blanket basis under a personal articles floater policy or similar policy not issued by a direct or indirect subsidiary of Chubb Limited.

Deluxe Contents Coverage

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Exclusions

(continued)

Loss to animals. We do not cover any loss to animals, birds, or fish.

Aircraft. We do not cover any loss to an aircraft or aircraft parts. "Aircraft" means any device used or designed for flight, except drones or similar unmanned device not used or designed to carry people or cargo.

Intentional acts. We do not cover any loss caused intentionally by a person named in the Coverage Summary, that person's spouse, a family member or a person who lives with you. We also do not cover any loss caused intentionally by a person directed by a person named in the Coverage Summary, that person's spouse, a family member, or a person who lives with you. But we do provide coverage for you or a family member who is not directly or indirectly responsible for causing the intentional loss. An intentional act is one whose consequences could have been foreseen by a reasonable person.

Misappropriation. We do not cover any loss caused by the taking or other misappropriation by or directed by a person named in the Coverage Summary, that person's spouse, a family member, or a person who lives with you. This exclusion does not apply to the taking or other misappropriation by your domestic workers, guests or tenants, unless the misappropriation was directed by a person named in the Coverage Summary, that person's spouse, a family member, or a person who lives with you.

Faulty planning, construction, or maintenance. We do not cover any loss caused by the faulty acts, errors, or omissions of you or any other person in planning, construction, or maintenance. It does not matter whether the faulty acts, errors, or omissions take place on or off the insured property. But we do insure ensuing covered loss unless another exclusion applies. "Planning" includes zoning, placing, surveying, designing, compacting, setting specifications, developing property, and establishing building codes or construction standards. "Construction" includes materials, workmanship, and parts or equipment used for construction or repair.

Earthquake. We do not cover any loss caused by earthquake unless shown in your Coverage Summary for that location. But we do insure ensuing covered loss due to fire, explosion, theft, or glass breakage unless another exclusion applies. This exclusion applies only to contents of each house with Vacation Home House Coverage as shown in the Coverage Summary.

Neglect. We do not cover any loss caused by your failure to use all reasonable means to protect property before, at, or after the time of a loss.

Acts of war. We do not cover any loss caused by war, undeclared war, civil war, insurrection, rebellion, revolution, warlike acts by a military force or personnel, any action taken in hindering or defending against any of these, the destruction or seizure of property for a military purpose, or any consequences of any of these acts regardless of any other direct or indirect cause or event, whether covered or not, contributing in any sequence to the loss. If any act that is within this exclusion involves nuclear reaction, radiation, or radioactive contamination, this Acts of war exclusion supercedes the Nuclear or radiation hazard exclusion.

Deluxe Contents Coverage

Exclusions

(continued)

Nuclear or radiation hazard. We do not cover any loss caused by nuclear reaction, radiation, or radioactive contamination, whether controlled or uncontrolled, or any consequence of any of these, regardless of any other direct or indirect cause or event, whether covered or not, contributing in any sequence to the loss. But we do insure ensuing covered loss due to fire resulting from a nuclear reaction unless another exclusion applies.

This part of your Masterpiece Policy provides you with coverage against all risk of physical loss to your valuable articles anywhere in the world unless stated otherwise or an exclusion applies.

"Valuable articles" means personal property you or a family member owns or possesses for which an amount of coverage is shown in the **Valuable Articles** section of your Coverage Summary.

Payment for a Loss

Amount of coverage

The amount of coverage for each category of valuable articles, and for each itemized article, is shown in your Coverage Summary.

To help you maintain an appropriate amount of coverage, if itemized jewelry is shown in your Coverage Summary, we increase the amount of coverage for each article of itemized jewelry annually by 5% based on industry trends for jewelry values plus, if you request, an additional percentage amount.

Itemized articles

For a covered loss to an article listed in your schedule of itemized articles, we will pay as follows:

Total loss. If an itemized article is totally destroyed or lost, we will pay the amount of itemized coverage for that article. However, if the market value of the itemized article immediately before the loss exceeds the amount of itemized coverage for that article, we will pay its market value immediately before the loss, up to 150% of the amount of itemized coverage for that article, but not more than the Maximum amount of coverage.

Partial loss. If an itemized article is partially lost or damaged, you may choose either of the following:

- If you choose to restore the article, we will pay the costs to restore the article to its condition immediately before the loss up to the amount of itemized coverage for that article. If the article cannot be restored to its condition immediately before the loss, we will pay any loss of market value plus the restoration costs up to 150% of the amount of itemized coverage for that article.
- If you choose not to restore the article, we will pay any loss of market value, up to 150% of the amount of itemized coverage for that article.

However, the most we will pay in any one loss is the Maximum amount of coverage.

The loss of market value is determined as follows:

- If the amount of itemized coverage for the article is less than the market value immediately before the loss, we will apply the percentage change to the market value immediately before the loss.
- If the amount of itemized coverage for the article is equal to or greater than the market value immediately before the loss, we will apply the percentage change to the amount of itemized coverage for that article.

"Percentage change" means the change in market value resulting from the covered loss, after restoration if any, expressed as a percentage.

Maximum amount of coverage. The maximum amount we will pay for a covered loss to one or more itemized articles in any one category of valuable articles is the amount of itemized coverage shown in the Coverage Summary for the applicable category of valuable articles.

Valuable Articles Coverage

Payment for a Loss

(continued)

In-vault jewelry. Itemized jewelry described in the Coverage Summary as "in-vault" must be kept in a bank vault. There is no coverage for these items while they are out of a vault, unless we agree in advance to cover them.

Blanket coverage

For a covered loss to valuable articles with blanket coverage, we will pay the amount required to repair or replace the property, whichever is less, without deduction for depreciation. If the restored value is less than the market value immediately prior to the loss, we will pay the difference. But we will not pay more than the amount of blanket coverage for that category. And we will not pay more than the blanket limit per item for loss to any one article as shown in the Coverage Summary.

The following valuable articles are eligible for blanket coverage:

Jewelry. An article of personal adornment containing gemstones, silver, gold, platinum, or other precious metals or alloys.

Furs. Garments made of, trimmed in, or consisting principally of fur.

Fine arts. Private collections of paintings, etchings, pictures, tapestries, art glass windows, other bona fide works of art (for example, statues, antiques, rare books and manuscripts, porcelains, rare glass, crystal), and items of historical value or artistic merit.

Silverware. Sterling silver, gold, or pewter: plated ware, tableware, trays, trophies, and similar household articles other than jewelry.

Stamps and coins. Stamps and/or coins contained in an individually owned stamp and/or coin collection and not owned by dealers or auctioneers. This includes other philatelic property, including books, pages and mountings; and other numismatic property including coin albums, containers, frames, cards and display cabinets used with your collection.

Musical Instruments. Musical instruments and equipment.

Cameras. Cameras, projection machines, films, and related equipment.

Collectibles. Private collections of rare, unique or novel items of personal interest (for example, dolls, banks, guns, model trains, wine) including memorabilia.

Pairs, sets, and parts

If the covered loss is to part of a pair or set, or larger unit listed in your schedule of itemized articles, you may choose either of the following:

- If you do not surrender the undamaged article(s) of the pair, set or unit, we will pay the covered loss as a partial loss for the damaged article(s) of the pair, set or unit as previously described under **Itemized articles**.
- If you agree to surrender the undamaged article(s) of the pair, set or unit to us, we will pay the covered loss as a total loss for that pair, set or unit as previously described under **Itemized articles**.

Valuable Articles Coverage

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Payment for a Loss

(continued)

If the covered loss is to part of a pair or set, or larger unit with blanket coverage we will pay whichever is least:

- the cost to repair the damaged property to its condition before the loss;
 - the cost to replace it; or
 - the difference between its market value immediately before and after the loss.
- If you agree to surrender the undamaged article(s) of the pair, set or unit to us and we agree to accept, we will pay you the full replacement cost of the entire pair, set or unit, as a total loss, subject to the applicable blanket limit per item and amount of blanket coverage for that valuable articles category.

"Replacement cost" means the amount required to repair or replace the pair, set, or unit, whichever is less.

Our option

When we pay for a total loss, we may keep all or part of the damaged property.

Recoveries

If we pay for a covered loss to property and we recover that property, we agree to offer you an opportunity to buy it back. We will offer it to you at no higher an amount than we paid to you for that property.

Valuable Articles Coverage

In Valuable Articles Coverage, a "covered loss" includes **all risk** of physical loss to valuable articles unless stated otherwise or an exclusion applies. Exclusions to this coverage are described in **Exclusions**.

Extra Coverages

In addition to covering the physical loss to your valuable articles, we also provide other related coverages. These coverages are in addition to the amount of coverage for your valuable articles unless stated otherwise or an exclusion applies. Exclusions to these coverages are described in **Exclusions**.

Newly acquired valuable articles

For some categories of valuable articles, we automatically cover newly acquired articles that you own if you already have itemized articles shown on the Coverage Summary in that category. The amount of coverage for these articles is described below.

Valuable Articles Coverage

Extra Coverages

(continued)

Fine arts. We cover your newly acquired fine arts for 25% of your total itemized coverage for fine arts. But you must request coverage for the newly acquired fine arts within 90 days after you acquire them, and pay the additional premium from the date acquired. We reserve the right not to insure the newly acquired articles after the 90th day.

Jewelry. We cover your newly acquired jewelry for 25% of your total itemized coverage for jewelry. But you must request coverage for the newly acquired jewelry within 90 days after you acquire them, and pay the additional premium from the date acquired. We reserve the right not to insure the newly acquired articles after the 90th day.

Furs, cameras, musical instruments, and collectibles. We cover your newly acquired furs, cameras, musical instruments, and collectibles for 25% of your total itemized coverage in the same category. But you must request coverage for these newly acquired articles within 90 days after you acquire them, and pay the additional premium from the date acquired. We reserve the right not to insure the newly acquired articles after the 90th day.

Fine art on loan or consignment.

If an amount of coverage for itemized fine arts is shown in your Coverage Summary, we will pay up to 25% of your total itemized coverage for fine arts, but not more than \$1,000,000, for a loss that would be covered under this policy to fine art on loan or consignment to you from a gallery or dealer for up to seven days. This is the most we will pay regardless of the number of fine art articles on loan or consignment involved in the occurrence or the number of policies providing you with coverage for fine arts issued by a direct or indirect subsidiary of Chubb Limited. The market value, retail value, or the value on the written sale agreement, whichever is less, of the fine art article(s) on the day you take possession is the amount of coverage for a fine art article at the time of a covered loss.

Works in progress

This extra coverage applies only if an amount of coverage for fine art, either blanket or itemized, is shown in your Coverage Summary.

We cover uncompleted works of art by an artist commissioned by you that are damaged or destroyed by a peril that would be covered under this policy prior to completion or which cannot be completed by the artist due to the artist's death. We will pay for the costs you incurred for the materials or supplies for the artist and the contracted costs for labor up to \$100,000 but not more than the amount of non recoverable deposits or the full commission price if prepaid. This is the most we will pay regardless of the number of policies providing you with coverage for fine art issued by a direct or indirect subsidiary of Chubb Limited.

Jewelry works in progress

If an amount of coverage for itemized or blanket jewelry is shown in your Coverage Summary, we cover uncompleted articles of jewelry by a jeweler or designer commissioned by you that are stolen, or damaged or destroyed by a peril that would be covered under this policy, or which cannot be completed by the jeweler or designer due to the death or insolvency of the jeweler or the designer.

Valuable Articles Coverage

CHUBB®

Extra Coverages

(continued)

We will pay the costs you incurred for the materials or supplies (whether supplied by you or the jeweler or designer, and only if nonrecoverable from the jeweler or designer), the contracted costs for labor, and nonrecoverable deposits, up to \$100,000 in any one occurrence. This is the most we will pay regardless of the number of jewelry articles involved in the occurrence or the number of policies providing you with coverage for jewelry issued by a direct or indirect subsidiary of Chubb Limited.

Jewelry on loan or consignment

If an amount of coverage for itemized jewelry is shown in your Coverage Summary, we will pay up to 25% of your total itemized coverage for jewelry, but not more than \$100,000, for a loss that would be covered under this policy for jewelry articles on loan, on consignment or rented to you from a jeweler for up to seven days. This is the most we will pay regardless of the number of jewelry articles involved in the occurrence or the number of policies providing you with coverage for jewelry issued by a direct or indirect subsidiary of Chubb Limited. The retail value of the jewelry article(s) on the day you take possession is the amount of coverage for a jewelry article at the time of a covered loss.

Exclusions

These exclusions apply to your Valuable Articles Coverage, including the Extra Coverages, unless stated otherwise.

The words "caused by" mean any loss that is contributed to, made worse by, or in any way results from that peril.

Musical and photographic articles used for profit. We do not cover any loss to musical instruments, cameras, or related equipment used for profit, except in an incidental business activity that does not have gross revenues in excess of \$15,000 or more in any year and conforms to local, state and federal laws.

Intentional acts. We do not cover any loss caused intentionally by a person named in the Coverage Summary, that person's spouse, a family member or a person who lives with you. We also do not cover any loss caused intentionally by a person directed by a person named in the Coverage Summary, that person's spouse, a family member, or a person who lives with you. But we do provide coverage for you or a family member who is not directly or indirectly responsible for causing the intentional loss. An intentional act is one whose consequences could have been foreseen by a reasonable person.

Misappropriation. We do not cover any loss caused by the taking or other misappropriation by or directed by a person named in the Coverage Summary, that person's spouse, a family member, or a person who lives with you. This exclusion does not apply to the taking or other misappropriation by your domestic workers, guests or tenants, unless the misappropriation was directed by a person named in the Coverage Summary, that person's spouse, a family member, or a person who lives with you.

Valuable Articles Coverage

Exclusions

(continued)

Gradual or sudden loss. We do not cover any loss caused by wear and tear, gradual deterioration, rust, rot, warping, insects or vermin. We also do not cover any loss caused by inherent vice, latent defect, or mechanical breakdown. But we do insure ensuing covered loss unless another exclusion applies.

Confiscation. We do not cover any loss caused by the confiscation, destruction, or seizure of property by or under the order of any government or public authority. But if the confiscation, destruction or seizure of property was ordered by any government or public authority to prevent the spread of fire, we do provide coverage if the loss caused by fire would be covered under this part of your policy.

Cyber attack. We do not cover any loss arising out of a cyber attack unless it affects only you or your family members, and results in otherwise covered physical loss to your insured property.

Computer error. We do not cover any cost to correct a malfunction, error, or deficiency to a computer or in the computer itself, caused by:

- human operating error or omission, including the choice of the program used, an error in setting parameters or any inappropriate single intervention by you, a family member, or a third party providing services to you;
- mistakes in legitimate electronic code or damage from code installed on your electronic data processing property during the manufacturing process, upgrade process, or normal maintenance; or
- power failure, surge or diminution of electronic systems.

However, we do cover ensuing covered loss if damage results solely to, on or upon your insured property, unless another exclusion applies.

"Electronic data processing property" means:

- electronic data processing equipment, including computers, hardware, firmware, and their accessories;
- portable electronic devices such as smartphones, electronic reading devices, tablets, handheld or wearable computers, or similar devices;
- software;
- electronic contents; or
- electronic data, including the capacity of electronic data to be stored, processed, or transmitted over the Internet.

"Electronic contents" means non-recoverable purchased eBooks, software, application software (apps), and photo, video, music, and movie files.

"Electronic data" means information, concepts, knowledge, facts, or instructions which are stored digitally. "Electronic data" does not mean tangible property, nor is tangible property electronic data.

"Electronic data processing property" does not include any of the foregoing stored on cloud computing or other virtual resources operated by a third party provided for the purpose of providing service to you or a family member.

Valuable Articles Coverage

CHUBB®

Exclusions

(continued)

Acts of war. We do not cover any loss caused by war, undeclared war, civil war, insurrection, rebellion, revolution, warlike acts by a military force or personnel, any action taken in hindering or defending against any of these, the destruction or seizure of property for a military purpose, or any consequences of any of these acts regardless of any other direct or indirect cause or event, whether covered or not, contributing in any sequence to the loss. If any act that is within this exclusion involves nuclear reaction, radiation, or radioactive contamination, this Acts of war exclusion supercedes the Nuclear or radiation hazard exclusion.

Nuclear or radiation hazard. We do not cover any loss caused by nuclear reaction, radiation, or radioactive contamination, whether controlled or uncontrolled, or any consequence of any of these, regardless of any other direct or indirect cause or event, whether covered or not, contributing in any sequence to the loss. But we do insure ensuing covered loss due to fire resulting from a nuclear reaction unless another exclusion applies.

Special exclusions for fine arts. We do not cover any loss to fine arts caused by repairing, restoring, or retouching. We also do not cover any loss to fine arts while exhibited at a national or international art fair or exposition, unless we agree in advance to cover the fine arts.

Special exclusions for stamps and coins. We do not cover any loss to stamps or coins caused by:

- fading, creasing, denting, scratching, tearing, thinning, color transfer, dampness, or temperature extremes; or
- handling or being worked on.

We also do not cover the disappearance of an individual stamp, coin, or other item that is insured as part of a collection unless it is mounted in a volume and the page is also lost.

Special exclusions for collectibles. We do not cover any loss to collectibles caused by:

- fading, creasing, denting, scratching, tearing, thinning, color transfer, dampness, change in temperature, or temperature extremes;
- repairing, restoring, retouching or being worked on; or
- use other than as a collectible.

However, we do cover loss to wine caused by change in temperature or temperature extremes due to loss of utility service or premises power supply, or mechanical or electrical breakdown of climate control equipment.

This part of your Masterpiece Policy provides you with Family Protection Coverage for you or a family member anywhere in the world except those places listed on the United States State Department Bureau of Consular Affairs Travel Warnings list at the time of loss, unless stated otherwise or an exclusion applies.

Payment for a Loss

Amount of coverage

The amounts of coverage provided are shown under Family Protection Coverage for:

- Carjacking Coverage
- Hijacking Coverage
- Child Abduction Coverage
- Stalking Threat Coverage
- Home Invasion Coverage
- Air Rage or Road Rage Coverage
- Cyberbullying Coverage
- Home and Vehicle Modification Expenses

We will not pay more than the amount of coverage shown for each covered carjacking, hijacking, child abduction, stalking threat, home invasion, air rage or road rage, or cyberbullying occurrence, regardless of how many policies or people are involved in the occurrence. If a loss is covered under more than one part of Family Protection Coverage (Carjacking Coverage, Hijacking Coverage, Child Abduction Coverage, Stalking Threat Coverage, Home Invasion Coverage, Air Rage or Road Rage Coverage, Cyberbullying Coverage), we will pay under the part giving the most coverage, but not under more than one part.

Family Protection Coverage

We provide Carjacking, Hijacking, Child Abduction, Stalking Threat, Home Invasion, Air Rage or Road Rage, and Cyberbullying Coverages for occurrences anytime during the policy period, unless stated otherwise or an exclusion applies. Exclusions to these coverages are described in **Exclusions**. We also provide coverage for a related expense, Home and Vehicle Modification Expenses.

In lieu of the definition for "business" in the Introduction, the following definition of "business" applies: "Business" means any employment, trade, occupation, profession, or farm operation including the raising or care of animals or any activity intended to realize a benefit or financial gain engaged in on a full-time, part-time or occasional basis.

The following defined terms used in the Carjacking, Hijacking, Child Abduction, Home Invasion, and Air Rage or Road Rage Coverages are defined here:

"Covered relative" means the following relatives of the person named in the Coverage Summary or a spouse who lives with that person:

- children, their children or other descendants of theirs;
- parents, grandparents or other ancestors of theirs; or

Family Protection Coverage

(continued)

- siblings, their children or other descendants of theirs, who do not live with you, including spouses or domestic partners of all of the above. Parents, grandparents and other ancestors include adoptive parents, stepparents and stepgrandparents.

"Loss of life" means:

- death, including clinical death, determined by a medical examiner or similar local governing medical authority; or
- the absence of communication from the abducted child for a period of two years after a child abduction occurrence.

"Physician" means a person who is licensed as a medical doctor or a doctor of osteopathy under the laws of the jurisdiction in which treatment is given and who is qualified to provide such medical treatment. A physician does not include you or a family member.

"Medical expenses" means the reasonable and customary charges for first aid, medical (not including psychiatric), funeral, surgical, x-ray, dental, ambulance, hospital, physical therapy, professional nursing services, and prosthetic devices which are legally obligated to be paid.

Carjacking Coverage

We will pay for carjacking expenses you, a family member, a covered relative, or a lawful occupant incurs solely and directly as a result of a carjacking occurrence.

"Lawful occupant" means a person, other than you, a family member, or a covered relative, operating or occupying a covered vehicle with permission from you or a family member during a carjacking occurrence.

"Carjacking occurrence" means the unlawful forced removal or detention of:

- you or a family member operating or occupying any motorized land vehicle; or
- a covered relative operating a covered vehicle with permission from you or a family member, or occupying a covered vehicle; or
- a lawful occupant while you, a family member, or a covered relative is also operating or occupying a covered vehicle, during the theft or attempted theft of that vehicle. This incident must be documented in a police report.

"Carjacking expenses" means the reasonable costs for:

- related medical expenses up to \$50,000 for each person (you, a family member, a covered relative who witnessed the carjacking occurrence, or a lawful occupant), up to a maximum of \$100,000 for each carjacking occurrence, when incurred within one year after the carjacking occurrence;
- related psychiatric services up to \$25,000 for each person (you, a family member, a covered relative who witnessed the carjacking occurrence, or a lawful occupant), up to a maximum of \$50,000 for each carjacking occurrence, when incurred within one year after the carjacking occurrence;

Carjacking Coverage

(continued)

- related rest and recuperation expenses for you, a family member, a covered relative who witnessed the carjacking occurrence, or a lawful occupant, up to a maximum of \$15,000 for each carjacking occurrence, as prescribed by a physician, psychologist or other authorized mental health professional (other than you or a family member), when incurred within 180 days after the carjacking occurrence;
- salary lost during the first 60 days after the carjacking occurrence, up to \$15,000 for each person (you, a family member, a covered relative who witnessed the carjacking occurrence, or a lawful occupant), up to a maximum of \$30,000 for each carjacking occurrence, in excess of any other valid and collectible benefits including disability insurance, workers' compensation insurance, unemployment compensation, salary and wage continuation, or other similar salary replacement plans;
- related security expenses to:
 - change all locks, install or improve security bars, motion sensing lights and a centrally monitored home security system, or other similar security expenses for any of your residence premises that the person(s) causing the carjacking occurrence may learn the address of through the stolen covered vehicle;
 - change all locks, install or activate an operator-assisted safety monitoring device for one year after the carjacking occurrence or install a global positioning tracking device (GPS) for the covered vehicle involved in the carjacking occurrence;up to a maximum of \$15,000 for each carjacking occurrence;
- related temporary relocation expenses for you and your family members, if the person(s) causing the carjacking occurrence may become aware of the address of your residence premises through the stolen covered vehicle, up to a maximum of \$15,000, when incurred within 60 days after the carjacking occurrence;
- reimbursement of deductible(s) incurred by you applicable to the damage or theft of the covered vehicle and personal property, in the carjacking occurrence, up to a maximum of \$15,000 for all vehicle and homeowner deductibles combined.

We will also pay up to a maximum of \$15,000 for each carjacking occurrence to any person or organization not causing that occurrence for information not otherwise available leading to the arrest and conviction of any person(s) who caused the carjacking occurrence. The following are not eligible to receive this reward payment: you, a family member, a covered relative who witnessed the carjacking occurrence, or a lawful occupant.

"Covered vehicle" means any private passenger vehicle, motorcycle or motor home you or a family member owns, rents or has furnished for regular use.

Child Abduction Coverage

We will pay for child abduction expenses you, a family member, a covered relative who witnessed the child abduction occurrence, or an abducted child's parent or legal guardian incur solely and directly as a result of a child abduction occurrence.

"Child abduction occurrence" means the wrongful taking, false imprisonment, or wrongful detention of one or more of your or a family member's children, or one or more children in the care of you or a family member, under the age of 13.

Child Abduction Coverage

(continued)

"Child abduction expenses" means the reasonable costs for:

- related travel, meals, lodging, and phone expenses incurred by you, a family member, a covered relative who witnessed the child abduction occurrence, or a covered relative who is the parent or legal guardian of the abducted child, including those expenses incurred up to 30 days after the recovery of the abducted child or the verification of the abducted child's loss of life, up to a maximum of \$25,000 for each child abduction occurrence;
- related medical and psychiatric expenses for:
 - the abducted children, up to a maximum of \$50,000, when incurred within one year after the child abduction occurrence; and
 - you, a family member, a covered relative who witnessed the child abduction occurrence (not including the abducted child), or a covered relative who is the parent or legal guardian of the abducted child, including those expenses incurred up to 180 days after the recovery of the abducted child or verification of the abducted child's loss of life, up to a maximum of \$25,000, for each child abduction occurrence;
- related rest and recuperation expenses for you, a family member, a covered relative who witnessed the child abduction occurrence, or a covered relative who is the parent or legal guardian of the abducted child, up to a maximum of \$25,000 for each child abduction occurrence, as prescribed by a physician, psychologist, or other authorized mental health professional (other than you or a family member), when incurred within one year after the recovery of the abducted child, or verification of the abducted child's loss of life, whichever comes first;
- salary lost during the first 60 days after the child abduction occurrence, up to \$15,000 for each person (you, a family member, or a covered relative who is the parent or legal guardian of the abducted child), up to a maximum of \$30,000 for each child abduction occurrence, in excess of any other valid and collectible benefits including disability insurance, workers' compensation insurance, unemployment compensation, salary and wage continuation, or other similar salary replacement plans;
- related security expenses to change all locks, install or improve security bars, motion sensing lights and a centrally monitored home security system, or other similar security expenses for your residence premises where the child abduction occurrence took place, up to a maximum of \$15,000 for each child abduction occurrence;
- related temporary relocation expenses for you and your family members if the child abduction occurrence took place at your residence premises, up to a maximum of \$15,000, when incurred within 60 days after the child abduction occurrence;
- the following related reasonable costs you or the parent or legal guardian of the abducted child incur, up to a maximum of \$100,000, when incurred within one year after the child abduction occurrence for:
 - a professional public relations consultant;
 - a professional forensic analyst;
 - publicity expenses incurred to locate the abducted children;
 - a professional security consultant.
- reimbursement of the homeowners deductible incurred by you applicable to damage sustained at your residence premises in the child abduction occurrence, up to a maximum of \$15,000.

We will also pay up to a maximum of \$50,000 for each child abduction occurrence to any person or organization not causing that occurrence for information not otherwise available leading to the arrest and conviction of any person(s) who caused the child abduction occurrence. The following are not eligible to receive this reward payment: you, a family member, the parent or guardian of the abducted child, or a covered relative who witnessed the child abduction occurrence.

Stalking Threat Coverage

We will pay for stalking threat expenses you or a family member incur solely and directly as a result of a stalking threat occurrence.

"Stalking threat occurrence" means:

- an act or acts committed with the intent to damage property owned by you or a family member, or to harass, injure or harm you or a family member;
- the person committing the act or acts is the subject of a court order or injunction issued to protect you or a family member; and
- the act or acts occur on consecutive or nonconsecutive days within a period of 120 days.

"Stalking threat expenses" means the reasonable costs you or a family member incur for:

- related professional security consultant and professional security guard services up to a maximum of \$15,000 for each stalking threat occurrence;
- related residential security expenses to change all locks, install or improve security bars, motion sensing lights and a centrally monitored home security system, or other similar security expenses for your residence premises, up to a maximum of \$15,000;
- related temporary relocation expenses for you and your family members, up to a maximum of \$15,000;
- salary lost during the first 60 days after an act committed as part of a stalking threat occurrence, up to a maximum of \$15,000 for each person (you and your family members), in excess of any other valid and collectible benefits including disability insurance, workers' compensation insurance, unemployment compensation, salary and wage continuation, or other similar salary replacement plans.

The most we will pay per policy period is \$60,000 for all stalking threat expenses combined, regardless of the number of stalking threat occurrences.

Home Invasion Coverage

We will pay for home invasion expenses you, a family member, or your guest incur solely and directly as a result of a home invasion occurrence.

"Home invasion occurrence" means an unlawful act of violence or threat of violence to you, a family member, or your guest by a person who unlawfully entered your residence premises, temporary residence, a watercraft, or a motor home while you, a family member, or your guest are present.

"Home invasion expenses" means the reasonable costs for:

- related medical expenses, up to \$50,000 for each person (you, a family member, or your guest), to a maximum of \$100,000 for each home invasion occurrence, when incurred within one year after the home invasion occurrence;
- related psychiatric services up to \$25,000 for each person (you, a family member, or your guest), up to a maximum of \$50,000 for each home invasion occurrence, when incurred within one year after the home invasion occurrence;

Home Invasion Coverage

(continued)

- related rest and recuperation expenses for you, a family member, or your guest, up to a maximum of \$15,000, for each home invasion occurrence, as prescribed by a physician, psychologist or other authorized mental health professional (other than you or a family member), when incurred within 180 days after the home invasion occurrence;
- salary lost during the first 60 days after the home invasion occurrence, up to \$15,000 for each person (you, a family member, or your guest), up to a maximum of \$30,000 for each home invasion occurrence, in excess of any other valid and collectible benefits including disability insurance, workers' compensation insurance, unemployment compensation, salary and wage continuation or other similar salary replacement plans;
- related residential security expenses for you to change all locks, install or improve security bars, motion sensing lights and a centrally monitored home security system, or other similar security expenses for your residence premises, up to a maximum of \$15,000;
- related professional security consultant and professional security guard services for you or a family member up to a maximum of \$15,000 for each home invasion occurrence;
- related temporary relocation expenses for you, a family member, or your guest, up to a maximum of \$15,000, when incurred within 60 days after the home invasion occurrence;
- reimbursement of the homeowners deductible incurred by you applicable to damage sustained at your residence premises in the home invasion occurrence, up to a maximum of \$15,000.

We will also pay up to a maximum of \$15,000 for each home invasion occurrence to any person or organization not causing that occurrence for information not otherwise available leading to the arrest and conviction of any person(s) who caused the home invasion occurrence. The following are not eligible to receive this reward payment: you, a family member, or your guest.

"Your guest" means:

- any regular domestic employee at the residence premises; or
- any other person invited as a guest by you or a family member to your residence premises or temporary residence.

Your guest does not include individuals who live with you or a family member and are not related to you or a family member.

"Temporary residence" means:

- a private dwelling not owned by you;
- the private room(s) in a hotel, motel, inn, villa, spa, resort, hostel, or dormitory; or
- the private room(s) in a commercial ocean liner or other similar commercial watercraft, that you or a family member is occupying or is visiting by invitation.

"Watercraft" means a watercraft with sleeping quarters that is not a commercial ocean liner or other similar commercial watercraft.

Air Rage or Road Rage Coverage

We will pay for air rage or road rage expenses incurred solely and directly as a result of an air rage or road rage occurrence.

Air Rage or Road Rage Coverage

(continued)

"Air rage occurrence" means physical bodily harm from a violent act or acts against you or a family member inflicted or caused by another person while you or a family member are occupying, entering into, or disembarking a commercial aircraft as a passenger. This incident must be documented by the pilot or crew to the governing authority having jurisdiction over the aircraft. This coverage does not apply to air rage occurrences on a commercial aircraft with a scheduled departure, layover, or destination point that is on the United States State Department Bureau of Consular Affairs Travel Warnings list.

"Road rage occurrence" means an act or acts of violence against you, a family member, a lawful occupant, or your motor vehicle by an operator or passenger of another motor vehicle, using their motor vehicle, a weapon, himself, or herself as the means of aggression against you, your family member, or your motor vehicle, immediately resulting from an incident that occurred while you or a family member was operating or occupying a motor vehicle on a roadway or parking lot. This incident must be documented in a police report.

"Lawful occupant" means a person, other than you, a family member, or a covered relative, operating or occupying a covered vehicle with permission from you or a family member during a road rage occurrence.

"Air rage or road rage expenses" means the reasonable costs for:

- related medical expenses up to \$50,000 for each person, up to a maximum of \$100,000 for each air rage or road rage occurrence, when incurred within one year after the air rage or road rage occurrence;
- related psychiatric services up to \$25,000 for each person, up to a maximum of \$50,000 for each air rage or road rage occurrence, when incurred within one year after the air rage or road rage occurrence;
- related rest and recuperation expenses for you or a family member, up to a maximum of \$15,000 for each air rage or road rage occurrence, as prescribed by a physician, psychologist or other authorized mental health professional (other than you or a family member), when incurred within 180 days after the air rage or road rage occurrence;
- salary lost during the first 60 days after the air rage or road rage occurrence, up to \$15,000 for each person, up to a maximum of \$30,000 for each air rage or road rage occurrence, in excess of any other valid and collectible benefits including disability insurance, workers' compensation insurance, unemployment compensation, salary and wage continuation, or other similar salary replacement plans;
- reimbursement of the covered vehicle's comprehensive or collision deductible incurred by you applicable to damage sustained by the covered vehicle in the road rage occurrence, up to a maximum of \$15,000;
- the non-refundable expenses incurred by you or a family member for your or a family member's scheduled trip, up to a maximum of \$5,000, for each air rage occurrence for the following:
 - additional accommodations or transportation to bring you or a family member to the original destination if you or your family member missed the original departure;
 - additional accommodations or transportation to bring you or a family member to the return destination, or to travel from the place where the trip was interrupted to the place where you or a family member can rejoin the trip; and
 - the unused portion of land, sea, or air arrangements or accommodations that you or a family member paid as part of the trip,due to the scheduled trip's cancellation or interruption caused by an air rage occurrence.

Air Rage or Road Rage Coverage

(continued)

"Covered vehicle" means any private passenger vehicle, motorcycle or motor home you or a family member owns, rents or has furnished for regular use.

Hijacking Coverage

We will pay for hijacking expenses you or a family member incurs solely and directly as a result of a hijacking occurrence.

"Hijacking occurrence" means the unlawful detention of you or a family member by violence or threat of violence by a person or group, where such unlawful detention occurs for a duration in excess of four hours while in or aboard a commercial conveyance. This coverage does not apply to hijacking occurrences on a commercial conveyance with a scheduled departure, layover, or destination point that is on the United States State Department Bureau of Consular Affairs Travel Warnings list.

"Hijacking expenses" means the reasonable costs for:

- related medical expenses up to \$50,000 for each person (you or a family member), up to a maximum of \$100,000 for each hijacking occurrence, when incurred within one year after the hijacking occurrence;
- related psychiatric services up to \$25,000 for each person (you or a family member), up to a maximum of \$50,000 for each hijacking occurrence, when incurred within one year after the hijacking occurrence;
- related rest and recuperation expenses for you or a family member, up to a maximum of \$15,000 for each hijacking occurrence, as prescribed by a physician, psychologist or other authorized mental health professional (other than you or a family member), when incurred within 180 days after the hijacking occurrence;
- salary lost during the first 60 days after the hijacking occurrence, up to \$15,000 for each person (you or a family member), up to a maximum of \$30,000 for each hijacking occurrence, in excess of any other valid and collectible benefits including disability insurance, workers' compensation insurance, unemployment compensation, salary and wage continuation, or other similar salary replacement plans;
- the non-refundable expenses incurred by you or a family member for your scheduled trip, up to a maximum of \$5,000, for each hijacking occurrence for the following:
 - additional accommodations or transportation to bring you or a family member to the original destination if you or a family member missed the original departure;
 - additional accommodations or transportation to bring you or a family member to the return destination, or to travel from the place where the trip was interrupted to the place where you or a family member can rejoin the trip; and
 - the unused portion of land, sea, or air arrangements or accommodations that you or a family member paid as part of the trip,due to the scheduled trip's cancellation or interruption caused by a hijacking occurrence.

Cyberbullying Coverage

We will pay for cyberbullying expenses you or a family member incur solely and directly as a result of a cyberbullying occurrence.

"Cyberbullying occurrence" means two or more similar or related acts of harassment or intimidation, including defamation of character, invasion of privacy, or threats of violence:

- committed against you or your family members;
- by computer, telephone, portable device (such as a smartphone, electronic tablets or handheld computers), or any similar electronic device or means, first committed within the policy period;
- resulting in:
 - wrongful termination;
 - false arrest;
 - wrongful discipline of you or a family member by a governing official or body of a primary or secondary school, institution of higher education, or private school; or
 - debilitating shock, mental anguish, or mental injury, as diagnosed by a licensed physician, psychologist or other authorized mental health professional (other than you or a family member), leading to the inability of you or a family member to attend school full-time or work for more than one week.

Any such acts:

- committed by any person or group of persons acting in concert; or
 - in which any person or group of persons is involved or implicated,
- are considered to be one occurrence, even if a series of similar or related acts occurs over multiple policy periods.

Cyberbullying occurrence does not mean an occurrence for acts against you or a family member arising out of business activities or the pursuit or holding of a public office by you or a family member.

"Cyberbullying expenses" means the reasonable costs for:

- related psychiatric services up to \$25,000 for each person (you or a family member) when incurred within one year after an act committed as part of the cyberbullying occurrence;
- related rest and recuperation expenses for you or a family member up to a maximum of \$15,000 for each cyberbullying occurrence, as prescribed by a physician, psychologist or other authorized mental health professional (other than you or a family member), when incurred within 180 days after an act committed as part of the cyberbullying occurrence;
- salary lost due to wrongful termination during the first 60 days after an act committed as part of the cyberbullying occurrence, up to a maximum of \$15,000 for each person (you or a family member), up to a maximum of \$30,000 for each cyberbullying occurrence, in excess of any other valid and collectible benefits including disability insurance, workers' compensation insurance, unemployment compensation, salary and wage continuation, or other similar salary replacement plans;
- related temporary relocation expenses for you and your family members, up to a maximum of \$15,000, when incurred within 60 days after an act committed as part of the cyberbullying occurrence;
- related temporary private tutoring expenses or any increase in expense for school enrollment if the student relocates to an alternative but similar school, up to \$15,000 for you or a family member when incurred within 60 days after an act committed as part of the cyberbullying occurrence;

Cyberbullying Coverage

(continued)

- the following related reasonable costs you or a family member incurs, up to \$15,000 per person, up to a maximum of \$30,000 for each cyberbullying occurrence, when incurred within one year after an act committed as part of the cyberbullying occurrence for:
 - a professional public relations consultant;
 - a professional digital forensic analyst to aid in prosecution;
 - a professional cyber security consultant;
 - a reputation management firm.

The most we will pay for all cyberbullying expenses combined for the cyberbullying occurrence is \$60,000.

Home and Vehicle Modification Expenses

We will pay up to \$25,000 for each occurrence for home and vehicle modification expenses if you or a family member suffers a permanent physical injury solely and directly as a result of a carjacking, hijacking, child abduction, home invasion, air rage or road rage occurrence.

We will not pay more than this amount of coverage for home and vehicle modification expenses for a covered carjacking, hijacking, child abduction, home invasion, air rage or road rage occurrence, regardless of how many policies or people are involved in the occurrence.

"Home and vehicle modification expenses" means those reasonable expenses incurred by you or a family member within two years of a carjacking, hijacking, child abduction, home invasion, air rage or road rage occurrence for the necessary costs to improve accessibility and use of your residence premises or your vehicle(s) or those of a family member.

These modifications must be:

- recommended by a physician;
- appropriate for the condition of the individual who suffered the permanent physical injury;
- made by service providers experienced in making such modifications; and
- in compliance with any applicable laws or ordinances.

Conditions

The following conditions applicable to Family Protection Coverage are in addition to the General Conditions and Special Conditions described under Policy Terms.

Duplicate coverages

The following is added to General Conditions, Duplicate Coverages: However, when both Family Protection Coverage and Personal Liability Coverage are shown in the Coverage Summary, and a loss is covered under Child Abduction Coverage and Kidnap expenses, your amount of coverage will equal the combined total of both Child Abduction Coverage and Kidnap expenses subject to the policy provisions. In no event will we make duplicate payments.

Conditions

(continued)

Other Insurance

This insurance is excess over any other insurance except that written specifically to cover excess over the amount of coverage that applies in this policy.

Your duties after a loss

In case of a carjacking, hijacking, child abduction, stalking threat, home invasion, air rage or road rage, or cyberbullying occurrence, you or a family member shall perform the following duties that apply:

Notification. You must notify us or your agent as soon as possible. In the case of a carjacking, hijacking, stalking threat, home invasion, air rage or road rage occurrence, you or a family member also shall notify an applicable law enforcement agency as soon as possible. In the case of a child abduction occurrence, you or a family member also shall notify an applicable law enforcement agency no later than the recovery of the abducted child or verification of the abducted child's loss of life, whichever comes first.

Assistance. You must provide us or cause us to be provided with all available information and cooperate with us fully.

Proof of loss. At our request you must submit to us or cause to be submitted, within 60 days after we request an affirmative proof of loss with full particulars. Failure to give written proof of loss within this time frame will not invalidate or reduce any claim if notice is given as soon as reasonably possible.

Examination. We have the right to examine under oath as often as we may reasonably require, you, family members, covered relatives, the abducted child, and your guests, and have them subscribe the same. We may also ask you to give us a signed description of the circumstances surrounding a loss and to produce all records and documents we request and permit us to make copies.

Physical examination. A person making a claim under Family Protection Coverage must submit as often as we reasonably require to physical examinations by physicians we select. Any examinations that we require will be done at our expense.

Exclusions

These exclusions apply to this part of your Masterpiece Policy, unless stated otherwise.

False report. We do not cover loss arising from a false report of carjacking, hijacking, stalking threat, child abduction, home invasion, air rage or road rage, or cyberbullying by you or a family member or any person acting on behalf of you or a family member, whether acting alone or in collusion with others.

Family ProtectionSM Coverage

Exclusions

(continued)

Acts of certain persons. We do not cover any loss caused by:

- you or a family member;
 - a covered relative;
 - any guardian or former guardian of you or a family member;
 - an estranged spouse or former spouse of you, a family member, or a covered relative;
 - any domestic partner, estranged domestic partner, or former domestic partner of you, a family member, or a covered relative;
 - any person unrelated to you or a family member who lives with you or has ever lived with you for 6 or more months, other than a domestic employee, residential staff, or a person employed by you for farm work;
 - a relative, guardian, or former guardian of an abducted child who is in your care or a family member's care;
 - a civil authority; or
 - any person acting on behalf of any of the above, whether acting alone or in collusion with others.
- We do not cover any loss under Hijacking, Air Rage or Road Rage Coverages caused by any person you or a family member personally knows. We do not cover a loss under Cyberbullying Coverage caused by an employer or co-worker. This exclusion does not apply to coverage provided under Stalking Threat Coverage.

Children in your care. We do not cover child abduction expenses for children in the care of you or a family member when:

- you or a family member is participating in any organized activity with or in association with any organization or entity;
 - you or a family member is providing this care as a home day care provider in your residence premises and you or a family member earns annual gross revenues in excess of \$5,000 as a home day care provider; or
 - you or a family member is providing this care as an employee or volunteer of a for-profit or not-for-profit entity providing service for the care of children.
- But we do cover your children, the children of a family member, or the children of a covered relative, in the care of you or a family member for child abduction expenses.

Your guest. We do not cover your guest(s) in a temporary residence who share the cost of the lodging.

Legal counsel. We do not cover the costs of legal counsel.

Salary lost. We do not cover salary lost under carjacking expenses, hijacking expenses, child abduction expenses, home invasion expenses, air rage expenses, road rage expenses, or cyberbullying expenses if immediately prior to the carjacking occurrence, hijacking occurrence, child abduction occurrence, home invasion occurrence, air rage occurrence, road rage occurrence, or cyberbullying occurrence the person with salary lost was receiving disability insurance, social security disability, unemployment compensation, or was on personal or medical leave.

Substance abuse treatment. We do not cover any expenses for substance abuse treatments unless the substance abuse was directly caused by the carjacking, hijacking, child abduction, home invasion, air rage or road rage occurrence.

Exclusions

(continued)

Vehicles used for a fee. We do not cover any loss arising out of the ownership or operation of a vehicle while it is being used as a public or livery conveyance, including while the vehicle is being used for ride sharing in connection with a ride sharing program, for a fee. This exclusion does not apply to a shared-expenses car pool, unless another exclusion applies.

"Ride sharing" means the use of any vehicle in connection with a ride sharing program during any time period when the driver is logged into an online-enabled ride sharing application or digital network as a driver, when the driver accepts a requested ride, is en route to pick up a passenger, or is transporting a passenger until the passenger departs the vehicle.

"Ride sharing program" means a transportation network, service, or any arrangement in which drivers and passengers arrange transportation services, including through an online-enabled ride sharing application or digital network.

Acts of war. We do not cover any loss caused by war, undeclared war, civil war, insurrection, riot, civil commotion, rebellion, revolution, warlike acts by a military force or personnel, usurped power, governmental intervention, expropriation or nationalization, any action taken in hindering or defending against any of these, or any consequences of any of these acts regardless of any other direct or indirect cause or event, whether covered or not, contributing in any sequence to the loss.

This part of your Masterpiece Policy provides you with personal liability coverage for which you or a family member may be legally responsible anywhere in the world unless stated otherwise or an exclusion applies.

Payment for a Loss

Amount of coverage

The amount of coverage for liability is shown in the Coverage Summary. We will pay on your behalf up to that amount for covered damages from any one occurrence, regardless of how many claims, homes, vehicles, watercraft or people are involved in the occurrence.

Any costs we pay for legal expenses (see **Defense coverages**) are in addition to the amount of coverage.

Personal Liability Coverage

We cover damages a covered person is legally obligated to pay for personal injury or property damage which takes place anytime during the policy period and are caused by an occurrence, unless stated otherwise or an exclusion applies. Exclusions to this coverage are described in **Exclusions**.

In lieu of the definition for "you" in the Introduction, the following definition of "you" applies:
"You" means:

- the person named in the Coverage Summary, and a spouse who lives with that person;
- a personal asset protection entity and its partners, members or trustees but only with respect to:
 - their legal responsibility for the ownership, maintenance, or use of a residence premises, contents of such residences other than business property, property insured under a personal articles floater policy or similar policy issued by a direct or indirect subsidiary of Chubb Limited, vacant land, and an individual or family cemetery plot or burial vault;
 - their legal responsibility for the ownership, maintenance, or use of a vehicle or watercraft owned or rented by the personal asset protection entity covered under this part of your Masterpiece policy;
 - Workers' compensation; and
 - Employment practices liability coverage, if this coverage is shown in the Coverage Summary.

In lieu of the definition for "occurrence" in the Introduction, the following definition of "occurrence" applies:

"Occurrence" means:

- an accident which begins within the policy period resulting in bodily injury, shock, mental anguish, mental injury, or property damage; or
- an offense first committed within the policy period resulting in:
 - false arrest, false imprisonment, or wrongful detention;
 - wrongful entry or eviction;
 - malicious prosecution or humiliation; or
 - libel, slander, defamation of character, or invasion of privacy,to which this insurance applies. Continuous or repeated exposure to substantially the same general conditions unless excluded is considered to be one occurrence.

Personal Liability Coverage

Personal Liability Coverage

(continued)

In lieu of the definition for "business" in the Introduction, the following definition of "business" applies:

"Business" means any employment, trade, occupation, profession, or farm operation including the raising or care of animals or any activity intended to realize a benefit or financial gain engaged in on a full-time, part-time or occasional basis.

A "covered person" means:

- you or a family member;
- any person using a vehicle or watercraft covered under this part of your Masterpiece policy with permission from you or a family member with respect to their legal responsibility arising out of its use;
- any person or organization with respect to their legal responsibility for covered acts or omissions of you or a family member; or
- any combination of the above.

"Personal asset protection entity" means a legal entity that was formed by you or on your behalf, and which owns or manages your residence premises, property of such residences, articles of value such as jewelry, fine art, silverware or collectibles, vacant land, or individual or family cemetery plots or burial vaults.

"Damages" means the sum that is paid or is payable to satisfy a claim settled by us or resolved by judicial procedure or by a compromise we agree to in writing.

"Personal injury" means the following injuries, and resulting death:

- bodily injury;
- shock, mental anguish, or mental injury;
- false arrest, false imprisonment, or wrongful detention;
- wrongful entry or eviction;
- malicious prosecution or humiliation; and
- libel, slander, defamation of character, or invasion of privacy.

"Bodily injury" means physical bodily harm, including sickness or disease that results from it, and required care, loss of services and resulting death.

"Property damage" means physical injury to or destruction of tangible property, and the resulting loss of its use. Tangible property includes the cost of recreating or replacing stocks, bonds, deeds, mortgages, bank deposits, and similar instruments, but does not include the value represented by such instruments.

"Registered vehicle" means any motorized land vehicle not described in "unregistered vehicle".

"Unregistered vehicle" means:

- any motorized land vehicle not designed for or required to be registered for use on public roads;
- any motorized land vehicle which is in dead storage at your residence;
- any motorized land vehicle used solely to service a residence premises shown in the Coverage Summary;
- any motorized land vehicle used to assist the handicapped that is not designed for or required to be registered for use on public roads; or
- golf carts.

Personal Liability Coverage

CHUBB®

Personal Liability Coverage

(continued)

"Disparate impact discrimination" means a violation of applicable disparate impact discrimination law protecting any residential staff based on his or her race, color, religion, creed, age, sex, disability, national origin or other status from disparities among or between individuals or groups based on numerical or other statistical profiles, sufficient to support a finding of discrimination, according to any federal, state, or local statute, regulation, ordinance, or common law of the United States of America, its territories or possessions, or Puerto Rico.

"Disparate treatment discrimination" means your or a family member's vicarious liability for a discriminatory act by any residential staff, your spouse who lives with you, or other family member, based on his or her race, color, religion, creed, age, sex, disability, national origin or other status according to any federal, state, or local statute, regulation, ordinance, or common law of the United States of America, its territories or possessions, or Puerto Rico, even though you or a family member:

- played no active role in the commission of the act;
- did nothing whatever to aid or encourage its commission; and
- may have done all that was possible to prevent it.

"Employment practices crisis" means:

- an allegation of, or your discovery of, a wrongful employment act committed against any residential staff that is reasonably likely to result in a civil action against you or a family member; or
- a threat by any residential staff to disclose publicly that you or a family member committed or allegedly committed a wrongful employment act.

"Reputation management firm" means:

- a professional public relations consulting firm;
- a professional security consulting firm; or
- a professional media management consulting firm.

"Residential staff" means your or a family member's employee who is:

- employed by you or a family member, or through a firm under an agreement with you or a family member, to perform duties related only to a covered person's domestic, personal, or business pursuits covered under this part of your policy;
- compensated for labor or services directed by you or a family member; and
- employed regularly to work 15 or more hours per week.

Residential staff includes a temporary worker. Residential staff does not include an independent contractor or any covered person.

"Temporary worker" means your or a family member's employee who is:

- employed by you or a family member, or through a firm under an agreement with you or a family member, to perform duties related only to a covered person's domestic, personal, or business pursuits covered under this part of your policy;
- compensated for labor or services directed by you or a family member; and
- employed to work 15 or more hours per week to substitute for any residential staff on leave or to meet seasonal or short-term workload demands for 30 consecutive days or longer during a 6 month period.

Temporary worker does not include an independent contractor or any covered person.

Personal Liability Coverage

Personal Liability Coverage

(continued)

"Wrongful employment act" means any disparate impact discrimination, disparate treatment discrimination, sexual harassment, or wrongful termination of any residential staff actually or allegedly committed or attempted by you or a family member, while acting in the capacity as an employer, that violates applicable employment law of any federal, state, or local statute, regulation, ordinance, or common law of the United States of America, its territories or possessions, or Puerto Rico. "Sexual harassment" as it relates solely to a wrongful employment act means unwelcome sexual advances, requests for sexual favors, or other conduct of a sexual nature that:

- is made a condition of employment of any residential staff;
- is used as a basis for employment decisions;
- interferes with performance of any residential staff's duties; or
- creates an intimidating, hostile, or offensive working environment; and
- you or a family member:
 - played no active role in the commission of the act;
 - did nothing whatever to aid or encourage its commission; and
 - may have done all that was possible to prevent it.

"Wrongful termination" means:

- the actual or constructive termination of employment of any residential staff by you or a family member in violation of applicable employment law; or
- breach of duty and care when you or a family member terminates an employment relationship with any residential staff.

Workers' Compensation and Employer's Liability Coverages

Workers' Compensation and Employer's Liability Coverage are subject to all the provisions listed below and the following provisions of the policy as contained in Policy Terms:

General Conditions

- Policy period;
- Renewals;
- Transfer of rights;
- Concealment or fraud;
- Application of coverage;
- Assignment;
- Policy changes;
- In case of death;
- Liberalization; and
- Conforming to state law.

Special Conditions

- Nonrenewal;
- Conditional renewal;
- Your cancellation; and
- Our cancellation.

Personal Liability Coverage

CHUBB®

Personal Liability Coverage

(continued)

In addition, the Employer's Liability Coverage is subject to the following provisions as contained in Policy Terms:

- General Conditions, Bankruptcy or insolvency;
- Liability, Your duties after a loss; and
- Special Conditions, Legal action against us.

The following definition applies to Workers' Compensation and Employer's Liability Coverage:

A "covered residence employee" means any person employed by you at a residence shown in the Coverage Summary who is both employed less than 40 hours per week and also defined under the New York Workers' Compensation Law as an employee for whom Workers' Compensation benefits must be provided.

Workers' Compensation

We cover only benefits which the New York Workers' Compensation Law requires you or a family member to provide for a covered residence employee. This coverage does not apply to bodily injury arising out of the business pursuits of you or a family member.

We provide Workers' Compensation coverage solely to comply with the mandated coverage for personal liability insurance under New York Workers' Compensation Law and New York Insurance Law. We do not provide voluntary or elective Workers' Compensation coverage.

As between a covered residence employee and us, notice to or knowledge of the occurrence of the injury on your part will be deemed notice or knowledge on our part.

Jurisdiction over you, for the purpose of the law imposing liability for compensation, be jurisdiction over the company.

Employer's Liability

We cover all damages you or a family member are legally obligated to pay because of bodily injury to a covered residence employee. The injury must be caused by an accident or a disease, and it must arise from and during the worker's employment for you or a family member. This coverage applies only:

- to bodily injury occurring during the policy period;
- if the bodily injury is a disease, caused by or aggravated by the conditions of the worker's employment by you or a family member;
- if the last day that the worker was exposed to the hazard causing the injury by disease was during the policy period.

This coverage applies in the United States, its territories and possessions, Canada, or temporarily elsewhere if the covered residence employee is a citizen or resident of the United States or Canada.

We may not limit our liability to pay damages for which we become legally liable to pay because of bodily injury to covered residence employees, if the bodily injury arises out of and in the course of employment that is subject to and is compensable under the New York Workers' Compensation Law.

Personal Liability Coverage

Personal Liability Coverage

(continued)

If a loss covered by this insurance is also covered by other insurance, we will not pay more than our share of benefits and costs. The shares of all applicable insurance will be equal until the loss is paid. However, if a loss covered by this insurance is also covered by insurance written to cover business employees of you or a family member who is a sole proprietor, this insurance is primary.

Employer's liability coverage does not apply to bodily injury arising out of the business pursuits of you or a family member. Nor does it apply to:

- liability assumed under any contract or agreement;
- any obligation under a workers' compensation, unemployment, disability benefits, or similar law;
- punitive or exemplary damage because of bodily injury to a worker who is employed illegally with the knowledge of you or a family member;
- bodily injury intentionally caused or aggravated by an insured;
- damages arising out of the unlawful discharge or coercion of, or unlawful discrimination against a covered residence employee.

Defense coverages

We will defend a covered person against any suit seeking covered damages for personal injury or property damage or for covered damages under Employment practices liability, if Employment practices liability coverage is shown in the Coverage Summary. We provide this defense at our own expense, with counsel of our choice, even if the suit is groundless, false, or fraudulent. We may investigate, negotiate, and settle any such claim or suit at our discretion.

As part of our investigation, defense, negotiation, or settlement, we will pay:

- all premiums on appeal bonds required in any suit we defend;
- all premiums on bonds to release attachments for any amount up to the amount of coverage (but we are not obligated to apply for or furnish any bond);
- all expenses incurred by us;
- all costs taxed against a covered person;
- all interest accruing after a judgment is entered in a suit we defend on only that part of the judgment we are responsible for paying. We will not pay interest accruing after we have paid the judgment up to the amount of coverage;
- all prejudgment interest awarded against a covered person on that part of the judgment we pay or offer to pay. We will not pay any prejudgment interest based on that period of time after we make an offer to pay the amount of coverage;
- all earnings lost by each covered person at our request, up to \$50,000;
- other reasonable expenses incurred by a covered person at our request; and
- the cost of bail bonds required of a covered person because of a covered loss.

In jurisdictions where we may be prevented by local law from carrying out these Defense Coverages, we will pay only those defense expenses that we agree in writing to pay and that are incurred by you.

These Defense coverages are limited for Employment practices liability as follows:

Our duty to defend you or a family member and our obligation to pay defense expenses ends when we have exhausted the amount of coverage per occurrence for Employment practices liability shown in the Coverage Summary by paying for covered damages from any one occurrence, or exhausted the maximum annual amount of coverage for Employment practices liability shown in the Coverage Summary by paying for covered damages.

Personal Liability Coverage

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Extra Coverages

In addition to covering damages and defense costs, we also provide other related coverages. These coverages are in addition to the amount of coverage for damages and defense costs unless stated otherwise or an exclusion applies. Exclusions to this coverage are described in **Exclusions**.

Medical payments to others

We will pay the necessary medical expenses, up to a total of \$50,000 for each person, for personal injury to anyone **except** you or a family member. These expenses must be incurred or medically ascertained within three years of an accident that:

- occurs at a residence covered under this part of your Masterpiece policy, to a person with permission from you or a family member to be there;
- arises from a condition at a residence covered under this part of your Masterpiece policy, or at the steps, driveways or sidewalks immediately adjoining this residence;
- was caused by the activities of a covered person;
- was caused by a domestic employee or any residential employee in the course of his or her employment by a covered person;
- was caused by a person employed by you for farm work in the course of his or her employment; or
- was caused by an animal owned by or in the care of a covered person.

"Medical expenses" includes reasonable charges for first aid, medical, funeral, surgical, x-ray, dental, ambulance, hospital, rehabilitation, professional nursing services, and prosthetic devices.

Damaged property

We cover the replacement cost of other people's property, up to \$25,000, for each occurrence, if the property was damaged or destroyed by a covered person.

"Replacement cost" is the amount required to repair or replace other people's property, whichever is less.

Kidnap expenses

We will pay, up to a maximum of \$100,000, for kidnap expenses a covered person incurs solely and directly as a result of a kidnap and ransom occurrence.

"Kidnap and ransom occurrence" means the actual or alleged wrongful taking of:

- you;
- one or more family members; or
- one or more covered relatives while visiting or legally traveling with you or a family member; from anywhere in the world except those places which are designated as a "Do not travel" area by the United States Department of State - Bureau of Consular Affairs at the time of the occurrence. The occurrence must include a demand for ransom payment which would be paid by you or a family member in exchange for the release of the kidnapped person(s). However, a kidnap and ransom occurrence does not mean the actual or alleged wrongful detention of a covered person or a family member solely on your property.

"Kidnap expenses" means the reasonable costs for:

- a professional negotiator;
- a professional security consultant;
- professional security guard services;
- a professional public relations consultant;

Personal Liability Coverage

Extra Coverages

(continued)

- travel, meals, lodging and phone expenses incurred by you or a family member;
 - advertising, communications and recording equipment;
 - related medical, cosmetic, psychiatric and dental expenses incurred by a kidnapped person within 12 months from that person's release;
 - attorneys fees;
 - a professional forensic analyst;
 - earnings lost by you or a family member.
- However, "kidnap expenses" does not include expenses incurred due to any kidnap and ransom occurrence caused by:
- you or a family member;
 - a covered relative;
 - any guardian or former guardian of you or a family member;
 - any person unrelated to you or a family member who lives with you or has ever lived with you for 6 or more months, other than a domestic employee, residential staff, or a person employed by you for farm work; or
 - a civil authority,
- or any person acting on behalf of any of the above, whether acting alone or in collusion with others.

"Covered relative" means the following relatives of the person named in the Coverage Summary, or a spouse who lives with that person, or any family member:

- children, their children or other descendants of theirs;
- parents, grandparents or other ancestors of theirs; or
- siblings, their children or other descendants of theirs, who do not live with you, including spouses of all of the above. Parents, grandparents and other ancestors include adoptive parents, stepparents and stepgrandparents.

Identity fraud

We will pay for a covered person's identity fraud expenses, up to a maximum of \$100,000, for each identity fraud occurrence.

"Identity fraud" means the act of knowingly transferring or using, without lawful authority, a covered person's means of identity which constitutes a violation of federal law or a crime under any applicable state or local law.

"Identity fraud occurrence" means any act or series of acts of identity fraud by a person or group commencing in the policy period.

"Identity fraud expenses" means:

- the costs for notarizing affidavits or similar documents for law enforcement agencies, financial institutions or similar credit grantors, and credit agencies;
- the costs for sending certified mail to law enforcement agencies, financial institutions or similar credit grantors, and credit agencies;
- the loan application fees for re-applying for loan(s) due to the rejection of the original application because the lender received incorrect credit information;
- the telephone expenses for calls to businesses, law enforcement agencies, financial institutions or similar credit grantors, and credit agencies;
- earnings lost by a covered person as a result of time off from work to complete fraud affidavits, meet with law enforcement agencies, credit agencies, merchants, or legal counsel;
- the reasonable attorney fees incurred with prior notice to us for:

Personal Liability Coverage

CHUBB®

Extra Coverages

(continued)

- the defense of a covered person against any suit(s) by businesses or their collection agencies;
- the removal of any criminal or civil judgments wrongly entered against a covered person;
- any challenge to the information in a covered person's consumer credit report; and
- the reasonable fees incurred with prior notice to us by an identity fraud mitigation entity to:
 - provide services for the activities described above;
 - restore accounts or credit standing with financial institutions or similar credit grantors and credit agencies; and
 - monitor for up to one year the effectiveness of the fraud mitigation and to detect additional identity fraud activity after the first identity fraud occurrence.

However, such monitoring must begin no later than one year after you first report an identity fraud occurrence to us.

However, "identity fraud expenses" does not include expenses incurred due to any fraudulent, dishonest or criminal act by a covered person or any person acting with a covered person, or by any authorized representative of a covered person, whether acting alone or in collusion with others.

"Identity fraud mitigation entity" means a company that principally provides professional, specialized services to counter identity fraud for individuals or groups of individuals, or a financial institution that provides similar services.

In addition to the duties described in Policy Terms, Liability Conditions, Your duties after a loss, a covered person shall notify an applicable law enforcement agency.

Credit cards, forgery, and counterfeiting

We cover up to a total of \$10,000 for:

- the legal obligation of you or a family member resulting from:
 - loss or theft of a credit card, bankcard, debit card or their account numbers issued to you or a family member for personal use, provided that all the terms for using the card are complied with;
 - loss caused by theft or unauthorized use of a credit card, bankcard, debit card or their account numbers issued to you or a family member for personal use when used electronically, including use on the Internet, provided that all the terms for using the card are complied with;
- loss to you or a family member caused by:
 - forgery or alteration of checks or negotiable instruments; or
 - acceptance in good faith of any counterfeit paper currency.

"Unauthorized use" means use of your personal credit card, bankcard, debit card or their account numbers without permission from you or a family member.

"Unauthorized use" does not mean use of your personal credit card, bankcard, debit card or their account numbers by your spouse or family member.

All loss resulting from any act or any series of similar or related acts:

- committed by any one person or group of persons acting in concert; or
 - in which any person or group of persons is involved or implicated,
- is considered to be one loss, even if a series of similar or related acts occurs over multiple policy periods.

Personal Liability Coverage

Extra Coverages

(continued)

We provide Defense coverages for any claim or suit seeking covered damages against you or a family member for loss, theft, or unauthorized use of a credit card, bankcard, debit card or their account numbers. We have the option to defend a claim or suit against you or a family member for forgery or counterfeiting. Our obligation to defend any suit seeking covered damages ends when our payment under this coverage equals \$10,000.

In the event of a claim or suit seeking covered damages, you or a family member shall comply with the duties described in Policy Terms, Property Conditions, Your duties after a loss and Policy Terms, Liability Conditions, Your duties after a loss. In addition, you or a family member shall notify the credit card service company or the issuing bank.

Rented or borrowed vehicles

We cover damages a covered person is legally obligated to pay for personal injury and property damage caused by an occurrence, and vehicle theft, during the policy period resulting from a covered person's use of a vehicle, rented by, borrowed, furnished to or made available to you or a family member, if the limit of liability shown in the Coverage Summary is \$1 million or more, provided the rental or loan does not exceed 60 days. This includes the covered person's use of a non-owned vehicle used as a public or livery conveyance, but only if they are a passenger in that vehicle.

We will provide this coverage in excess of any underlying insurance that applies to these damages. If no underlying coverage exists, we will pay total damages up to the limit of liability shown in the Coverage Summary.

This Extra Coverage is not provided when:

- you have coverage provided by an excess or umbrella policy with us or another company;
 - you or a family member own a private passenger vehicle, a pickup truck, panel truck or van.
- However, we will provide this coverage for a vehicle rented by a personal asset protection entity if:
- the personal asset protection entity does not have coverage for the rented vehicle provided by an excess or umbrella policy with us or another company;
 - the personal asset protection entity does not own a private passenger vehicle, pickup truck, panel truck or van.

Employment practices liability coverage

If Employment practices liability coverage is shown in the Coverage Summary, we provide coverage for Employment practices liability and Reputational injury.

This coverage applies only if on the effective date of any policy period, the number of residential staff does not exceed twelve. However, if after the effective date of any policy period you or a family member employs more than twelve residential staff, we will cover, through the remainder of the policy period, only those twelve residential staff with the longest period of uninterrupted employment in chronological order of hiring at the time of the Employment practices liability coverage occurrence. This condition does not apply to your or a family member's employment of a temporary worker to substitute for any residential staff on leave, performing the same duties for the same or fewer number of hours. It is your duty to advise us as soon as reasonably possible if you or a family member employs more than twelve residential staff at any time during the policy period in order to reduce the possibility of being underinsured.

Extra Coverages

(continued)

Employment practices liability. We cover damages you or a family member is legally obligated to pay any residential staff for a wrongful employment act caused by an occurrence when the claim is made or the suit is brought in the United States of America, its territories or possessions, or Puerto Rico, unless stated otherwise or an exclusion applies.

Amount of coverage for Employment practices liability. The maximum amount of coverage for Employment practices liability available for any one occurrence is the amount of coverage for Employment practices liability shown in the Coverage Summary. We will not pay more than this amount in any one occurrence for covered damages regardless of how many claims or people are involved in the occurrence.

The maximum annual amount of coverage for Employment practices liability shown in the Coverage Summary is the most we will pay for the sum of all covered damages during the policy period regardless of the number of claims, people, or occurrences.

Deductible. A deductible is that amount we will subtract from the amount of covered damages we pay. The deductible shown in the Coverage Summary for Employment practices liability applies to each Employment practices liability occurrence, unless stated otherwise.

Reputational Injury. We cover the reasonable and necessary fees or expenses that you incur for services provided by a reputation management firm to minimize potential injury to the reputation of you or a family member solely as a result of an employment practices crisis caused by an occurrence if:

- the employment practices crisis is reported to us as soon as reasonably possible but not later than 30 days after the employment practices crisis begins; and
 - you obtain approval of the reputation management firm from us before incurring any fees or expenses,
- unless stated otherwise or an exclusion applies. There is no deductible for this coverage.

Amount of coverage for Reputational Injury. The maximum amount of coverage for Reputational injury available for any one occurrence is the amount of coverage for Reputational injury shown in the Coverage Summary. We will not pay more than this amount in any one occurrence for covered damages regardless of how many claims or people are involved in the occurrence.

The maximum annual amount of coverage for Reputational injury shown in the Coverage Summary is the most we will pay for the sum of all covered damages during the policy period regardless of the number of claims, people, or occurrences.

Condition for Employment practices liability coverage. The following condition applicable to Employment practices liability coverage is in addition to the General Conditions, Liability Conditions, and Special Conditions described under Policy Terms.

If on the effective date of any policy period the number of residential staff exceeds twelve, your eligibility for Employment practices liability coverage will cease as of that date. If Employment practices liability coverage has been provided, it will be cancelled or nonrenewed at the earliest date allowed by law and an appropriate notice of cancellation or nonrenewal will be issued.

Personal Liability Coverage

Exclusions

These exclusions apply to this part of your Masterpiece Policy, unless stated otherwise.

Motorized land vehicles. We do not cover any damages arising out of the ownership, maintenance, use, loading, unloading, or towing of any motorized land vehicle or any trailers or any watercraft being towed by or carried on any registered vehicle. This exclusion does not apply to:

- a toy designed for a child's use that is not subject to motor vehicle registration and is built or modified after manufacture, not to exceed 15 miles per hour on level ground, and is not a motorized bicycle, scooter or moped;
- any unregistered motorized land vehicle used solely to service a residence premises shown in the Coverage Summary;
- a golf cart when used:
 - on a golfing facility;
 - to cross roads at designated points in the golfing facility; or
 - on roads of your private residential community with the authorization of the property owners association.
- any unregistered vehicles while on:
 - your residence premises;
 - the residence premises where you are temporarily residing or renting for other than business use; or
 - vacant land owned by you or rented to you.

This exclusion does not apply to the Extra Coverage, Rented or borrowed vehicles.

Aircraft. We do not cover any damages arising out of the ownership, maintenance, use, loading, unloading, or towing of any aircraft, except a non-owned aircraft chartered with a professional crew by you or on your behalf. "Aircraft" means any device used or designed for flight, except drones or similar unmanned device not used or designed to carry people or cargo.

However, with respect to the ownership, maintenance or use of any drones or similar unmanned device, we do not cover any damages:

- while such drone or similar unmanned device is being operated in a restricted airspace as determined by the Federal Aviation Administration or other governmental agency, whether on a local, state or federal level, including any temporary flight restrictions; or
- to any aircraft, including any resulting damages. This exclusion applies whether such drone or similar unmanned device makes contact with the aircraft or not.

Large watercraft. We do not cover any damages arising out of the ownership, maintenance, use, loading, unloading, or towing of any watercraft 26 feet or longer or with more than 50 engine rated horsepower which is:

- owned, directly or indirectly, by a covered person; or
- rented by, furnished to, or made available to a covered person for longer than 30 consecutive days.

We do cover watercraft being stored even if not listed in the Coverage Summary, unless another exclusion applies.

Hovercraft. We do not cover any damages arising out of the ownership, maintenance, use, loading, unloading or towing of any hovercraft. We do not cover any property damages to hovercraft rented to, owned by, or in the care, custody or control of a covered person.

Personal Liability Coverage

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Exclusions

(continued)

Motorized land vehicle racing or track usage. We do not cover any damages arising out of the ownership, maintenance or use of any motorized land vehicle:

- during any instruction, practice, preparation for, or participation in, any competitive, prearranged or organized racing, speed contest, rally, gymkhana, sports event, stunting activity, or timed event of any kind; or
- on a racetrack, test track or other course of any kind.

Watercraft racing or track usage. We do not cover any damages arising out of the ownership, maintenance or use of any watercraft during any instruction, practice, preparation for, or participation in, any competitive, prearranged or organized racing, speed contest, rally, sports event, stunting activity or timed event of any kind. This exclusion does not apply to sailboat racing even if the sailboat is equipped with an auxiliary motor.

Unemployment compensation or disability. We do not cover any damages for personal injury for which a covered person may be legally obligated to pay under any unemployment compensation, disability benefits, or similar law.

Employees. We do not cover any damages arising out of acts of employees of a personal asset protection entity except acts in the course of their employment for the maintenance or use of covered property, or for the provision of in-home healthcare to a covered person.

Failure to act. We do not cover any damages arising out of any act, error, decision, or failure to act or decide by any partner, member or trustee of a personal asset protection entity covered under this policy, other than with respect to damages arising out of the ownership, maintenance, or use of:

- a residence premises, vacant land, and an individual or family cemetery plot or burial vault;
- a vehicle or watercraft owned or rented by the personal asset protection entity covered under this part of your Masterpiece policy.

Director's liability. We do not cover any damages for any covered person's actions or failure to act as an officer or member of a board of directors of any corporation or organization.

However, we do cover such damages if you or a family member is:

- an officer or member of a board of directors of a homeowner, condominium or cooperative association; or
- not compensated as an officer or member of a board of directors of a not-for-profit corporation or organization, unless another exclusion applies.

Damage to covered person's property. We do not cover any person for property damage to property owned by any covered person.

Damage to property in your care. We do not cover any person for property damage to property of others rented to, occupied by, used by, or in the care of any covered person. But we do cover such damages for loss caused by fire, smoke, or explosion unless another exclusion applies.

This exclusion does not apply to property damage:

- to a motorized land vehicle rented to a covered person if the Extra Coverage, Rented or borrowed vehicles applies, or
- as provided under the Extra Coverage, Damaged property.

Personal Liability Coverage

Exclusions

(continued)

Wrongful employment act. We do not cover any damages arising out of a wrongful employment act. This exclusion does not apply to Employment practices liability coverage if Employment practices liability coverage is shown in the Coverage Summary.

Discrimination. We do not cover any damages arising out of discrimination due to age, race, color, sex, creed, national origin, or any other discrimination.

Intentional acts. We do not cover any damages arising out of a willful, malicious, fraudulent or dishonest act or any act intended by any covered person to cause personal injury or property damage. But we do cover such damages if the act was intended to protect people or property unless another exclusion applies. An intentional act is one whose consequences could have been foreseen by a reasonable person.

Molestation, misconduct or abuse. We do not cover any damages arising out of any actual, alleged or threatened:

- sexual molestation;
- sexual misconduct or harassment; or
- abuse.

Further, this exclusion applies to the entirety of all allegations in any claim or suit, if such claim or suit includes an allegation of or reference to any actual, alleged or threatened, sexual molestation, sexual misconduct or harassment, or abuse, even if this insurance would otherwise apply to any part of the allegations in the claim or suit.

This exclusion does not apply to Employment practices liability coverage. However, Employment practices liability coverage does not apply to you or any family member who allegedly or actually participates in, directs, or knowingly allows any act of sexual molestation, sexual misconduct or harassment or abuse.

Nonpermissive use. We do not cover any person who uses a motorized land vehicle or watercraft without permission from you or a family member.

Business pursuits. We do not cover any damages arising out of business activities or business property in which a covered person has ownership or other interest or is conducted by or on behalf of a covered person or others.

However, we do cover damages arising out of volunteer work for an organized charitable, religious or community group, an incidental business away from home, incidental business at home, incidental business property, incidental farming, or residence premises conditional business liability, unless another exclusion applies.

Personal Liability Coverage

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Exclusions

(continued)

"Incidental business away from home" is a self-employed sales activity, or a self-employed business activity normally undertaken by persons under the age of 18 such as newspaper delivery, babysitting, caddying, and lawn care. Either of these activities must:

- not yield gross revenues in excess of \$15,000 in any year;
- have no employees subject to any workers' compensation, disability benefits, unemployment compensation, or other similar laws; and
- conform to local, state, and federal laws.

"Incidental business at home" is a business activity, other than farming, conducted by you in whole or in part on your residence premises which must:

- not yield gross revenues in excess of \$15,000 in any year;
- have no employees subject to any workers' compensation, disability benefits, unemployment compensation or other similar laws; and
- conform to local, state, and federal laws.

"Incidental business at home" does not include business related to the use, sale, manufacturing, growing, delivering, transferring or processing of cannabis or any good or product that consists of or contains any amount of Tetrahydrocannabinol (THC) or any other cannabinoid, whether natural or synthetic.

"Incidental business property" is limited to the rental or holding for rental, to be used as a residence, of a condominium or cooperative unit owned by a covered person, an apartment unit rented by a covered person, a one or two family dwelling owned by a covered person, or a three or four family dwelling owned by a covered person and occupied by you. We provide this coverage only for premises listed in the Coverage Summary, or if the rental or holding for rental is for:

- a residence of yours that is occasionally rented and that is used exclusively as a residence; or
- part of a residence of yours by one or two roomers or boarders; or
- part of a residence of yours as an office, school, studio, or private garage.

"Incidental farming" is a farming activity which meets all of the following requirements:

- is incidental to your use of the premises as your residence;
- does not involve employment of others for more than 1,500 hours of farm work during the policy period;
- does not produce more than \$25,000 in gross annual revenue from agricultural operations;
- and with respect to the raising or care of animals:
 - does not produce more than \$50,000 in gross annual revenues;
 - does not involve more than 25 sales transactions during the policy period;
 - does not involve the sale of more than 50 animals during the policy period.

"Incidental farming" does not include farming related to the use, sale, manufacturing, growing, delivering, transferring or processing of cannabis or any good or product that consists of or contains any amount of Tetrahydrocannabinol (THC) or any other cannabinoid, whether natural or synthetic.

"Residence premises conditional business liability" is limited to business or professional activities when legally conducted by you or a family member at your residence or other permanent structure shown in the Coverage Summary. If there is no other valid and collectible insurance, we provide coverage only for personal injury or property damage arising out of the physical condition of that residence if:

Personal Liability Coverage

Exclusions

(continued)

- you do not have any employees involved in your business or professional activities who are subject to any workers' compensation, disability benefits, unemployment compensation, or other similar laws; or, if you are a doctor or dentist, you do not have more than two employees subject to such laws; or
- you are a home day care provider whose annual gross revenues from this activity do not exceed \$5,000.

We do not cover damages or consequences resulting from business or professional care or services performed or not performed.

The following exclusion, Contamination, applies only to "incidental farming" as described under the exclusion, Business pursuits.

Contamination. We do not cover any actual or alleged damages arising out of the discharge, dispersal, seepage, migration or release or escape of pollutants. Nor do we cover any cost or expense arising out of any request, demand or order to:

- extract pollutants from land or water;
- remove, restore or replace polluted or contaminated land or water; or
- test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants, or in any way respond to or assess the effects of pollutants.

However, this exclusion does not apply if the discharge, dispersal, seepage, migration, release or escape is sudden and accidental. A "pollutant" is any solid, liquid, gaseous or thermal irritant or contaminant, including smoke (except smoke from a hostile fire), vapor, soot, fumes, acids, alkalis, chemicals and waste. "Waste" includes materials to be disposed of, recycled, reconditioned or reclaimed.

Pursuit or holding of public office. We do not cover any damages arising out of a covered person's pursuit or holding of an elected public office. But we do cover such damages for you or a family member if:

- the annual compensation of the office, whether accepted or not, does not exceed \$20,000; and
- the hours required to perform the duties of the office do not exceed an annual average of 20 hours of work per week during the policy period.

Financial guarantees. We do not cover any damages for any covered person's financial guarantee of the financial performance of any covered person, other individual or organization.

Professional services. We do not cover any damages for any covered person's performing or failure to perform professional services, or for professional services for which any covered person is legally responsible or licensed.

Acts of war. We do not cover any damages caused directly or indirectly by war, undeclared war, civil war, insurrection, rebellion, revolution, warlike acts by military forces or personnel, the destruction or seizure of property for a military purpose, or the consequences of any of these actions.

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Exclusions

(continued)

Contractual liability. We do not cover any assessments charged against a covered person as a member of a homeowners, condominium or cooperative association. We also do not cover any damages arising from contracts or agreements made in connection with any covered person's business. Nor do we cover any liability for unwritten contracts, or contracts in which the liability of others is assumed after a covered loss.

Covered person's or dependent's personal injury. We do not cover any damages for personal injury for any covered person or their dependents where the ultimate beneficiary is the offending party or defendant. We also do not cover any damages for personal injury for which you or a family member can be held legally liable, in any way, to a spouse, a family member, a person who lives with you, or a person named in the Coverage Summary. We also do not cover any damages for personal injury for which a spouse, a family member, a person who lives with you, or a person named in the Coverage Summary can be held legally liable, in any way, to you or a family member.

However, we do cover damages for bodily injury arising out of the use of a motorized land vehicle for which you or a family member can be held legally liable to a spouse, a family member, or a person named in the Coverage Summary, or for which a spouse, a family member, or any other person named in the Coverage Summary can be held legally liable to you or a family member to the extent that coverage is provided under this part of your Masterpiece policy.

A person who lives with you does not include a temporary guest who has a permanent residence elsewhere.

Liability for dependent care. We do not cover any damages for personal injury for which a covered person's only legal liability is by virtue of a contract or other responsibility for a dependent's care.

Illness. We do not cover personal injury or property damage resulting from any illness, sickness or disease transmitted intentionally or unintentionally by a covered person to anyone, or any consequence resulting from that illness, sickness or disease. We also do not cover any damages for personal injury resulting from the fear of contracting any illness, sickness or disease, or any consequence resulting from the fear of contracting any illness, sickness or disease.

Liability for the acts of others. We do not cover any person for damages arising from:

- any entrustment of property;
- the failure to supervise or the negligent supervision of any person; or
- any parental or ownership liability.

This exclusion applies only to damages arising out of the ownership, maintenance or use of any motorized land vehicle, watercraft 26 feet or longer or with more than 50 engine rated horsepower, aircraft, or hovercraft.

This exclusion does not apply to:

- the Extra Coverage, Rented or borrowed vehicles; or
- any other coverage provided under an exclusion in this part of your policy.

Nuclear or radiation hazard. We do not cover any damages caused directly or indirectly by nuclear reaction, radiation, or radioactive contamination, regardless of how it was caused.

Personal Liability Coverage

Exclusions

(continued)

The following exclusion, Special exclusions, applies solely to Employment practices liability coverage.

Special exclusions. We do not cover the following:

- matters which may be deemed uninsurable according to any federal, state, or local statute, regulation, ordinance, or common law of the United States of America, its territories or possessions, or Puerto Rico under which the policy is construed;
- occurrences arising out of the breach of an actual or implied written or oral agreement related to employment;
- costs incurred to comply with any order, grant, or agreement to provide non-monetary relief; or
- occurrences arising out of any actual or alleged violation of any of the responsibilities, obligations, or duties imposed by the Consolidated Omnibus Budget Reconciliation Act, Employment Retirement Income Security Act of 1974, Fair Labor Standards Act (except the Equal Pay Act), state wage payment and collection laws, Federal Insurance Contributions Act, Immigration Reform and Control Act of 1986, National Labor Relations Act, Occupational Safety and Health Act, Social Security Act, Workers' Adjustment and Retraining Notification Act, including any amendments to these laws, promulgated rules, or regulations or any provisions of any similar federal, state, or local statute, regulation, ordinance, or common law of the United States of America, its territories or possessions, or Puerto Rico.

This part of your Masterpiece Policy provides you with liability coverage in excess of your underlying insurance anywhere in the world unless stated otherwise or an exclusion applies.

Payment for a Loss

Amount of coverage

The amount of coverage for liability is shown in the Coverage Summary. We will pay on your behalf up to that amount for covered damages from any one occurrence, regardless of how many claims, homes, vehicles, watercraft, or people are involved in the occurrence.

Any costs we pay for legal expenses (see **Defense coverages**) are in addition to the amount of coverage.

Underlying Insurance

We will pay only for covered damages in excess of **all** underlying insurance covering those damages, even if the underlying coverage is for more than the minimum amount.

"Underlying insurance" includes all liability coverage other than this part of your policy that applies to the covered damages, except for other insurance purchased in excess of this policy.

Required primary underlying insurance

Regardless of whatever other primary underlying insurance may be available in the event of a claim or loss, it is a condition of this part of your policy that you and your family members must maintain in full effect primary underlying liability insurance of the types and in at least the amounts set forth below, either under other parts of this policy or some other policy, covering your personal liability and to the extent you have such liability exposures, all vehicles and watercraft you or your family members own, or rent for longer than 30 consecutive days, or have furnished for longer than 30 consecutive days, as follows:

Personal liability (homeowners) for bodily injury and property damage in the minimum amount of \$50,000 each occurrence.

Registered vehicles in the minimum amount of:

- \$250,000/\$500,000 bodily injury and \$25,000 property damage;
 - \$300,000/\$300,000 bodily injury and \$25,000 property damage; or
 - \$300,000 single limit each occurrence;
- unless any higher minimum amount of insurance for registered vehicles is shown in your Coverage Summary.

Unregistered vehicles in the minimum amount of \$50,000 bodily injury and property damage each occurrence.

Watercraft less than 26 feet and 50 engine rated horsepower or less for bodily injury and property damage in the minimum amount of \$50,000 each occurrence.

Watercraft 26 feet or longer or more than 50 engine rated horsepower for bodily injury and property damage in the minimum amount of \$500,000 each occurrence.

Excess Liability Coverage

Payment for a Loss

(continued)

Supplementary uninsured/underinsured motorists protection in the minimum amount of \$250,000/\$500,000 bodily injury, \$300,000/\$300,000 bodily injury or \$300,000 single limit each occurrence.

Failure by you or your family members to comply with this condition, or failure of any of your primary underlying insurers due to insolvency or bankruptcy, shall not invalidate this part of your policy. In the event of any such failure, we shall only be liable in excess of the foregoing minimum amounts and to no greater extent with respect to coverages, amounts and defense costs than we would have been had this failure not occurred. When no primary underlying coverage exists, the extent of such coverage will be determined as if the required primary underlying insurance had been purchased from us.

You must also give notice of losses and otherwise cooperate and comply with the terms and conditions of such primary underlying insurance.

Excess Liability Coverage

We cover damages a covered person is legally obligated to pay for personal injury or property damage, which takes place anytime during the policy period and are caused by an occurrence:

- in excess of damages covered by the underlying insurance; or
- from the first dollar of damage where no underlying insurance is required under this policy and no underlying insurance exists; or
- from the first dollar of damage where underlying insurance is required under this policy but no coverage is provided by the underlying insurance for a particular occurrence, unless stated otherwise or an exclusion applies.

Exclusions to this coverage are described in **Exclusions**.

"Follow form" means:

We cover damages to the extent they are both covered under the Required Primary Underlying Insurance and, not excluded under this part of your Masterpiece Policy. Also, the amount of coverage, defense coverages, cancellation and "other insurance" provisions of this policy supersede and replace the similar provisions contained in such other policies. When this part of your policy is called upon to pay losses in excess of required primary underlying policies exhausted by payment of claims, we do not provide broader coverage than provided by such policies. When no primary underlying coverage exists, the extent of coverage provided on a follow form basis will be determined as if the required primary underlying insurance had been purchased from us.

In lieu of the definition for "occurrence" in the Introduction, the following definition of "occurrence" applies:

"Occurrence" means:

- an accident which begins within the policy period resulting in bodily injury, shock, mental anguish, mental injury, or property damage; or
- an offense first committed within the policy period resulting in:
 - false arrest, false imprisonment, or wrongful detention;

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- wrongful entry or eviction;
- malicious prosecution or humiliation; or
- libel, slander, defamation of character, or invasion of privacy,

to which this insurance applies. Continuous or repeated exposure to substantially the same general conditions unless excluded is considered to be one occurrence.

In lieu of the definition for "business" in the Introduction, the following definition of "business" applies:

"Business" means any employment, trade, occupation, profession, or farm operation including the raising or care of animals or any activity intended to realize a benefit or financial gain engaged in on a full-time, part-time or occasional basis.

A "covered person" means:

- you or a family member;
- any person using a vehicle or watercraft covered under this part of your Masterpiece policy with permission from you or a family member with respect to their legal responsibility arising out of its use;
- any person or organization with respect to their legal responsibility for covered acts or omissions of you or a family member; or
- any combination of the above.

"Damages" means the sum that is paid or is payable to satisfy a claim settled by us or resolved by judicial procedure or by a compromise we agree to in writing.

"Personal injury" means the following injuries, and resulting death:

- bodily injury;
- shock, mental anguish, or mental injury;
- false arrest, false imprisonment, or wrongful detention;
- wrongful entry or eviction;
- malicious prosecution or humiliation; and
- libel, slander, defamation of character, or invasion of privacy.

"Bodily injury" means physical bodily harm, including sickness or disease that results from it, and required care, loss of services and resulting death.

"Property damage" means physical injury to or destruction of tangible property and the resulting loss of its use. Tangible property includes the cost of recreating or replacing stocks, bonds, deeds, mortgages, bank deposits, and similar instruments, but does not include the value represented by such instruments.

"Registered vehicle" means any motorized land vehicle not described in "unregistered vehicle".

"Unregistered vehicle" means:

- any motorized land vehicle not designed for or required to be registered for use on public roads;
- any motorized land vehicle which is in dead storage at your residence;
- any motorized land vehicle used solely to service a residence premises shown in the Coverage Summary;

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- any motorized land vehicle used to assist the handicapped that is not designed for or required to be registered for use on public roads; or
- golf carts.

"Disparate impact discrimination" means a violation of applicable disparate impact discrimination law protecting any residential staff based on his or her race, color, religion, creed, age, sex, disability, national origin or other status from disparities among or between individuals or groups based on numerical or other statistical profiles, sufficient to support a finding of discrimination, according to any federal, state, or local statute, regulation, ordinance, or common law of the United States of America, its territories or possessions, or Puerto Rico.

"Disparate treatment discrimination" means your or a family member's vicarious liability for a discriminatory act by any residential staff, your spouse who lives with you, or other family member, based on his or her race, color, religion, creed, age, sex, disability, national origin or other status according to any federal, state, or local statute, regulation, ordinance, or common law of the United States of America, its territories or possessions, or Puerto Rico, even though you or a family member:

- played no active role in the commission of the act;
- did nothing whatever to aid or encourage its commission; and
- may have done all that was possible to prevent it.

"Employment practices crisis" means:

- an allegation of, or your discovery of, a wrongful employment act committed against any residential staff that is reasonably likely to result in a civil action against you or a family member; or
- a threat by any residential staff to disclose publicly that you or a family member committed or allegedly committed a wrongful employment act.

"Reputation management firm" means:

- a professional public relations consulting firm;
- a professional security consulting firm; or
- a professional media management consulting firm.

"Residential staff" means your or a family member's employee who is:

- employed by you or a family member, or through a firm under an agreement with you or a family member, to perform duties related only to a covered person's domestic, personal, or business pursuits covered under this part of your policy;
- compensated for labor or services directed by you or a family member; and
- employed regularly to work 15 or more hours per week.

Residential staff includes a temporary worker. Residential staff does not include an independent contractor or any covered person.

"Temporary worker" means your or a family member's employee who is:

- employed by you or a family member, or through a firm under an agreement with you or a family member, to perform duties related only to a covered person's domestic, personal, or business pursuits covered under this part of your policy;
- compensated for labor or services directed by you or a family member; and

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- employed to work 15 or more hours per week to substitute for any residential staff on leave or to meet seasonal or short-term workload demands for 30 consecutive days or longer during a 6 month period.

Temporary worker does not include an independent contractor or any covered person.

"Wrongful employment act" means any disparate impact discrimination, disparate treatment discrimination, sexual harassment, or wrongful termination of any residential staff actually or allegedly committed or attempted by you or a family member, while acting in the capacity as an employer, that violates applicable employment law of any federal, state, or local statute, regulation, ordinance, or common law of the United States of America, its territories or possessions, or Puerto Rico. "Sexual harassment" as it relates solely to a wrongful employment act means unwelcome sexual advances, requests for sexual favors, or other conduct of a sexual nature that:

- is made a condition of employment of any residential staff;
- is used as a basis for employment decisions;
- interferes with performance of any residential staff's duties; or
- creates an intimidating, hostile, or offensive working environment; and
- you or a family member:
 - played no active role in the commission of the act;
 - did nothing whatever to aid or encourage its commission; and
 - may have done all that was possible to prevent it.

"Wrongful termination" means:

- the actual or constructive termination of employment of any residential staff by you or a family member in violation of applicable employment law; or
- breach of duty and care when you or a family member terminates an employment relationship with any residential staff.

Excess Supplementary uninsured/underinsured motorists protection

This coverage is in effect only if excess supplementary uninsured/underinsured motorists protection is shown in the Coverage Summary.

We cover damages for bodily injury a covered person is legally entitled to receive from the owner or operator of an uninsured or underinsured motorized land vehicle in excess of damages covered by:

- the underlying uninsured motorists protection or the Required primary underlying insurance for uninsured motorists protection, whichever is greater; and
- the underlying underinsured motorists protection or the Required primary underlying insurance for underinsured motorists protection, whichever is greater.

Amount of coverage. Regardless of the number of vehicles shown in the Coverage Summary, the maximum amount of coverage available for any one occurrence is the amount of coverage for Excess Supplementary uninsured/underinsured motorists protection shown in the Coverage Summary. We will not pay more than this amount in any one occurrence for covered damages regardless of how many claims, vehicles or people are involved in the occurrence.

This coverage will follow form.

Excess Liability Coverage

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Supplementary uninsured/underinsured motorists protection arbitration

Notwithstanding any other provision of this policy, if we and the covered person have any irreconcilable dispute, either party may make a written demand for arbitration. As an absolute condition to any arbitration, we and the covered person must mutually agree to arbitration and the arbitration procedure. Judgment upon the award may be entered in any court having jurisdiction. The arbitrator has the power to decide any dispute between us and the covered person concerning the application or interpretation of the Excess supplementary uninsured/underinsured motorists protection; provided however, the arbitrator will have no power to revise or reform the actual language of this coverage. We and the covered person will share equally in the cost of arbitration.

Defense coverages

We will defend a covered person against any suit seeking covered damages for personal injury or property damage or for covered damages under Employment practices liability, if Employment practices liability coverage is shown in the Coverage Summary, that are either:

- not covered by any underlying insurance; or
- covered by an underlying policy as each Defense coverage has been exhausted by payment of claims.

We provide this defense at our expense, with counsel of our choice, even if the suit is groundless, false, or fraudulent. We may investigate, negotiate, and settle any such claim or suit at our discretion.

As part of our investigation, defense, negotiation, or settlement we will pay:

- all premiums on appeal bonds required in any suit we defend;
- all premiums on bonds to release attachments for any amount up to the amount of coverage (but we are not obligated to apply for or furnish any bond);
- all expenses incurred by us;
- all costs taxed against a covered person;
- all interest accruing after a judgment is entered in a suit we defend on only that part of the judgment we are responsible for paying. We will not pay interest accruing after we have paid the judgment up to the amount of coverage;
- all prejudgment interest awarded against a covered person on that part of the judgment we pay or offer to pay. We will not pay any prejudgment interest based on that period of time after we make an offer to pay the amount of coverage;
- all earnings lost by each covered person at our request, up to \$50,000;
- other reasonable expenses incurred by a covered person at our request; and
- the cost of bail bonds required of a covered person because of a covered loss.

In jurisdictions where we may be prevented by local law from carrying out these Defense Coverages, we will pay only those defense expenses that we agree in writing to pay and that are incurred by you.

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These Defense coverages are limited for Employment practices liability as follows:

Our duty to defend you or a family member and our obligation to pay defense expenses ends when we have exhausted the amount of coverage per occurrence for Employment practices liability shown in the Coverage Summary by paying for covered damages from any one occurrence, or exhausted the maximum annual amount of coverages for Employment practices liability shown in the Coverage Summary by paying for covered damages.

Employment practices liability coverage

If Employment practices liability coverage is shown in the Coverage Summary, we provide coverage for Employment practices liability and Reputational injury.

This coverage applies only if on the effective date of any policy period, the number of residential staff does not exceed twelve. However, if after the effective date of any policy period you or a family member employs more than twelve residential staff, we will cover, through the remainder of the policy period, only those twelve residential staff with the longest period of uninterrupted employment in chronological order of hiring at the time of the Employment practices liability coverage occurrence. This condition does not apply to your or a family member's employment of a temporary worker to substitute for any residential staff on leave, performing the same duties for the same or fewer number of hours. It is your duty to advise us as soon as reasonably possible if you or a family member employs more than twelve residential staff at any time during the policy period in order to reduce the possibility of being underinsured.

Employment practices liability. We cover damages you or a family member is legally obligated to pay any residential staff for a wrongful employment act caused by an occurrence when the claim is made or the suit is brought in the United States of America, its territories or possessions, or Puerto Rico, unless stated otherwise or an exclusion applies.

Amount of coverage for Employment practices liability. The maximum amount of coverage for Employment practices liability available for any one occurrence is the amount of coverage for Employment practices liability shown in the Coverage Summary. We will not pay more than this amount in any one occurrence for covered damages regardless of how many claims or people are involved in the occurrence.

The maximum annual amount of coverage for Employment practices liability shown in the Coverage Summary is the most we will pay for the sum of all covered damages during the policy period regardless of the number of claims, people, or occurrences.

Deductible. A deductible is that amount we will subtract from the amount of covered damages we pay. The deductible shown in the Coverage Summary for Employment practices liability applies to each Employment practices liability occurrence, unless stated otherwise.

Reputational injury. We cover the reasonable and necessary fees or expenses that you incur for services provided by a reputation management firm to minimize potential injury to the reputation of you or a family member solely as a result of an employment practices crisis caused by an occurrence if:

- the employment practices crisis is reported to us as soon as reasonably possible but not later than 30 days after the employment practices crisis begins; and

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(continued)

- you obtain approval of the reputation management firm from us before incurring any fees or expenses, unless stated otherwise or an exclusion applies. There is no deductible for this coverage.

Amount of coverage for Reputational Injury. The maximum amount of coverage for Reputational injury available for any one occurrence is the amount of coverage for Reputational injury shown in the Coverage Summary. We will not pay more than this amount in any one occurrence for covered damages regardless of how many claims or people are involved in the occurrence.

The maximum annual amount of coverage for Reputational injury shown in the Coverage Summary is the most we will pay for the sum of all covered damages during the policy period regardless of the number of claims, people, or occurrences.

Condition for Employment practices liability coverage. The following condition applicable to Employment practices liability coverage is in addition to the General Conditions, Liability Conditions, and Special Conditions described under Policy Terms.

If on the effective date of any policy period the number of residential staff exceeds twelve, your eligibility for Employment practices liability coverage will cease as of that date. If Employment practices liability coverage has been provided, it will be cancelled or nonrenewed at the earliest date allowed by law and an appropriate notice of cancellation or nonrenewal will be issued.

Exclusions

These exclusions apply to this part of your Masterpiece Policy unless stated otherwise.

Motor vehicles with less than four wheels and motor homes. We do not cover any damages arising out of the ownership, maintenance, use, loading or unloading of any motor vehicle with less than four wheels or motor home:

- owned by you or a family member; or
- furnished to, made available or rented to you or a family member for longer than 30 consecutive days, unless the motor vehicle with less than four wheels or motor home is shown in the Coverage Summary. The coverage for motor vehicles with less than four wheels and motor homes is on a follow form basis.

Aircraft. We do not cover any damages arising out of the ownership, maintenance, use, loading, unloading, or towing of any aircraft, except a non-owned aircraft chartered with a professional crew by you or on your behalf. "Aircraft" means any device used or designed for flight, except drones or similar unmanned device not used or designed to carry people or cargo.

However, with respect to the ownership, maintenance or use of any drones or similar unmanned device, we do not cover any damages:

- while such drone or similar unmanned device is being operated in a restricted airspace as determined by the Federal Aviation Administration or other governmental agency, whether on a local, state or federal level, including any temporary flight restrictions; or

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Exclusions

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- to any aircraft, including any resulting damages. This exclusion applies whether such drone or similar unmanned device makes contact with the aircraft or not.

Large watercraft. We do not cover any damages arising out of the ownership, maintenance, use, loading, unloading, or towing of any watercraft 26 feet or longer or with more than 50 engine rated horsepower which is:

- owned, directly or indirectly, by a covered person; or
- rented by, furnished to, or made available to a covered person for longer than 30 consecutive days.

However, coverage is provided on a follow form basis if the watercraft is listed in the Coverage Summary.

Coverage is also provided on a follow form basis when notice is given to us within 30 days after you acquire a watercraft. If we agree to insure it, you must pay the additional premium from the date acquired.

We do cover watercraft being stored even if not listed in the Coverage Summary, unless another exclusion applies.

Hovercraft. We do not cover any damages arising out of the ownership, maintenance, use, loading, unloading or towing of any hovercraft. We do not cover any property damages to hovercraft rented to, owned by, or in the care, custody or control of a covered person.

Owned or furnished registered motorized land vehicle. We do not cover any damages arising out of the ownership, maintenance, use, loading or unloading of any registered motorized land vehicle owned or controlled directly or indirectly by a covered person, or furnished to or made available to a covered person for longer than 90 consecutive days. But we do provide coverage if at least one registered motorized land vehicle is shown in the Coverage Summary for Excess Liability Coverage, unless another exclusion applies.

Vehicles used for public or livery conveyance. We do not cover any person for damages arising out of the ownership, maintenance, or use of a vehicle while it is being used as a public or livery conveyance.

Vehicles used for a fee. We do not cover any person for damages while the vehicle is used:

- by a transportation network company driver who is logged onto a transportation network company's digital network but is not engaged in a transportation network company prearranged trip; and
- while the transportation network company driver provides a transportation network company prearranged trip pursuant to article 44-B of the New York Vehicle and Traffic Law.

"Transportation network company" or "TNC" means a person, corporation, partnership, sole proprietorship, or other entity that is licensed pursuant to article 44-B of the New York Vehicle and Traffic Law, and is operating in New York state exclusively using a digital network to connect transportation network company passenger(s) to transportation network company driver(s) who provide transportation network company prearranged trips.

"Digital network" means any system or service offered or utilized by a transportation network company that enables transportation network company prearranged trips with transportation network company drivers.

Excess Liability Coverage

Exclusions

(continued)

"Transportation network company driver" or "TNC driver" means an individual who:

- receives connections to potential passengers and related services from a transportation network company in exchange for payment of a fee to the transportation network company; and
- uses a transportation network company vehicle to offer or provide a transportation network company prearranged trip to transportation network company passenger(s) upon connection through a digital network controlled by a transportation network company in exchange for compensation or payment of a fee.

"Transportation network company passenger" or "passenger" means a person or persons who use a transportation network company's digital network to connect with a transportation network company driver who provides transportation network company prearranged trips to the passenger in the transportation network company vehicle between points chosen by the passenger.

"Transportation network company prearranged trip"; or "TNC prearranged trip", or "trip" means the provision of transportation by a transportation network company driver to a passenger provided through the use of a transportation network company's digital network:

- beginning when a transportation network company driver accepts a passenger's request for a trip through a digital network controlled by a transportation network company;
- continuing while the transportation network company driver transports the requesting passenger in a transportation network company vehicle; and
- ending when the last requesting passenger departs from the transportation network company vehicle.

The term "transportation network company prearranged trip", or "TNC prearranged trip", or "trip" does not include transportation provided through any of the following:

- shared expense carpool or vanpool arrangements, including those as defined in section 158-b of the New York Vehicle and Traffic Law; and
- use of a taxicab, livery, luxury limousine, or other for-hire vehicle, as defined in the New York Vehicle and Traffic Law, section 19-502 of the administrative code of the city of New York, or as otherwise defined in local law.

"Transportation network company vehicle" or "TNC vehicle" means a vehicle that is:

- used by a transportation network company driver to provide a transportation network company prearranged trip originating within the state of New York; and
- owned, leased or otherwise authorized for use by the transportation network company driver;
- such term shall not include:
 - a taxicab, as defined in section 148-a of the New York Vehicle and Traffic Law and section 19-502 of the administrative code of the city of New York, or as otherwise defined in local law;
 - a livery vehicle, as defined in section 121-e of the New York Vehicle and Traffic Law, or as otherwise defined in local law;
 - a black car, limousine, or luxury limousine, as defined in section 19-502 of the administrative code of the city of New York, or as otherwise defined in local law;
 - a for-hire vehicle, as defined in section 19-502 of the administrative code of the city of New York, or as otherwise defined in local law;
 - a bus, as defined in section 104 of the New York Vehicle and Traffic Law;
 - any motor vehicle weighing more than six thousand five hundred pounds unloaded;
 - any motor vehicle having a seating capacity of more than seven passengers; and
 - any motor vehicle subject to section 370 of the New York Vehicle and Traffic Law.

Excess Liability Coverage

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Exclusions

(continued)

Personal vehicle sharing. We do not cover any person for damages arising out of the ownership, maintenance, or use of any motorized land vehicle while it is being used in connection with a personal vehicle sharing program for a fee.

"Personal vehicle sharing program" means a network, service, or any arrangement other than a shared-expense car pool to facilitate the sharing of private passenger motor vehicles for use by individuals other than the vehicle's registered owner.

Motorized land vehicle racing or track usage. We do not cover any damages arising out of the ownership, maintenance or use of any motorized land vehicle:

- during any instruction, practice, preparation for, or participation in, any competitive, prearranged or organized racing, speed contest, rally, gymkhana, sports event, stunting activity, or timed event of any kind; or
- on a racetrack, test track or other similar course.

However, this exclusion does not apply to a rally on a public road where the legal speed limit remains in effect for the duration of the rally.

Watercraft racing or track usage. We do not cover any damages arising out of the ownership, maintenance or use of any watercraft during any instruction, practice, preparation for, or participation in, any competitive, prearranged or organized racing, speed contest, rally, sports event, stunting activity or timed event of any kind. This exclusion does not apply to sailboat racing even if the sailboat is equipped with an auxiliary motor.

Motorized land vehicle-related jobs. We do not cover any damages arising out of the ownership, maintenance, or use of a motorized land vehicle by any person who is employed or otherwise engaged in the business of selling, repairing, servicing, storing, parking, testing, or delivering motorized land vehicles. This exclusion does not apply to you, a family member, or your employee or an employee of a family member for damages arising out of the ownership, maintenance or use of a motorized land vehicle owned by, rented to, or furnished to you or a family member.

Watercraft-related jobs. We do not cover any damages arising out of the ownership, maintenance, or use of a watercraft by any person who is engaged by or employed by, or is operating a marina, boat repair yard, shipyard, yacht club, boat sales agency, boat service station, or other similar organization. This exclusion does not apply to damages arising out of the ownership, maintenance, or use of a watercraft covered under this part of your Masterpiece policy, by you, a family member, or your captain or your full time paid crew member maintaining or using this watercraft with permission from you or a family member.

Motorized land vehicle and watercraft loading. We do not cover any person or organization, other than you or your employees, with respect to the loading or unloading of motorized land vehicles or watercraft.

Workers' compensation or disability. We do not cover any damages a covered person is legally:

- required to provide; or
- voluntarily provides under any:
 - workers' compensation;
 - disability benefits;
 - unemployment compensation; or

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Exclusions

(continued)

- other similar laws.

But we do provide coverage in excess over any other insurance for damages a covered person is legally required to pay for bodily injury to a domestic employee of a residence shown in the Coverage Summary which are not compensable under workers' compensation, unless another exclusion applies.

Director's liability. We do not cover any damages for any covered person's actions or failure to act as an officer or member of a board of directors of any corporation or organization.

However, we do cover such damages if you or a family member is:

- an officer or member of a board of directors of a homeowner, condominium or cooperative association; or
- not compensated as an officer or member of a board of directors of a not-for-profit corporation or organization, unless another exclusion applies.

Damage to covered person's property. We do not cover any person for property damage to property owned by any covered person.

Damage to property in your care. We do not cover any person for property damage to property of others rented to, occupied by, used by, or in the care of any covered person, to the extent that the covered person is required by contract to provide insurance. But we do cover such damages for loss caused by fire, smoke, or explosion unless another exclusion applies. This exclusion does not apply to property damage to a motorized land vehicle rented to a covered person if no underlying insurance is required under this policy and no underlying insurance exists.

Wrongful employment act. We do not cover any damages arising out of a wrongful employment act. This exclusion does not apply to Employment practices liability coverage if Employment practices liability coverage is shown in the Coverage Summary.

Discrimination. We do not cover any damages arising out of discrimination due to age, race, color, sex, creed, national origin, or any other discrimination.

Intentional acts. We do not cover any damages arising out of a willful, malicious, fraudulent or dishonest act or any act intended by any covered person to cause personal injury or property damage. But we do cover such damages if the act was intended to protect people or property unless another exclusion applies. An intentional act is one whose consequences could have been foreseen by a reasonable person.

Molestation, misconduct or abuse. We do not cover any damages arising out of any actual, alleged or threatened:

- sexual molestation;
- sexual misconduct or harassment; or
- abuse.

Further, this exclusion applies to the entirety of all allegations in any claim or suit, if such claim or suit includes an allegation of or reference to any actual, alleged, threatened, or by knowingly allowing sexual molestation, sexual misconduct or harassment, or abuse, even if this insurance would otherwise apply to any part of the allegations in the claim or suit.

Excess Liability Coverage

CHUBB®

Exclusions

(continued)

This exclusion does not apply to Employment practices liability coverage. However, Employment practices liability coverage does not apply to you or any family member who allegedly or actually participates in, directs, or knowingly allows any act of sexual molestation, sexual misconduct or harassment or abuse.

Nonpermissible use. We do not cover any person who uses a motorized land vehicle or watercraft without permission from you or a family member.

Business pursuits. We do not cover any damages arising out of business activities or business property in which a covered person has ownership or other interest or is conducted by or on behalf of a covered person or others, except on a follow form basis.

However, we do cover damages arising out of volunteer work for an organized charitable, religious or community group, an incidental business away from home, incidental business at home, incidental business property, incidental farming, or residence premises conditional business liability, unless another exclusion applies. We also cover damages arising out of your ownership, maintenance, or use of a private passenger motor vehicle in business activities other than selling, repairing, servicing, storing, parking, testing, or delivering motorized land vehicles.

"Incidental business away from home" is a self-employed sales activity, or a self-employed business activity normally undertaken by persons under the age of 18 such as newspaper delivery, babysitting, caddying, and lawn care. Either of these activities must:

- not yield gross revenues in excess of \$15,000 in any year;
- have no employees subject to any workers' compensation, disability benefits, unemployment compensation, or other similar laws; and
- conform to local, state, and federal laws.

"Incidental business at home" is a business activity, other than farming, conducted by you in whole or in part on your residence premises which must:

- not yield gross revenues in excess of \$15,000 in any year;
- have no employees subject to any workers' compensation, disability benefits, unemployment compensation, or other similar laws; and
- conform to local, state, and federal laws.

"Incidental business at home" does not include business related to the use, sale, manufacturing, growing, delivering, transferring or processing of cannabis or any good or product that consists of or contains any amount of Tetrahydrocannabinol (THC) or any other cannabinoid, whether natural or synthetic.

"Incidental business property" is limited to the rental or holding for rental, to be used as a residence, of a condominium or cooperative unit owned by a covered person, an apartment unit rented by a covered person, a one or two family dwelling owned by a covered person, or a three or four family dwelling owned by a covered person and occupied by you. We provide this coverage only for premises listed in the Coverage Summary, or if the rental or holding for rental is for:

- a residence of yours that is occasionally rented and that is used exclusively as a residence; or
- part of a residence of yours by one or two roomers or boarders; or
- part of a residence of yours as an office, school, studio, or private garage.

Excess Liability Coverage

Exclusions

(continued)

"Incidental farming" is a farming activity which meets all of the following requirements:

- is incidental to your use of the premises as your residence;
- does not involve employment of others for more than 1,500 hours of farm work during the policy period;
- does not produce more than \$25,000 in gross annual revenue from agricultural operations;
- and with respect to the raising or care of animals:
 - does not produce more than \$50,000 in gross annual revenues;
 - does not involve more than 25 sales transactions during the policy period;
 - does not involve the sale of more than 50 animals during the policy period.

"Incidental farming" does not include farming related to the use, sale, manufacturing, growing, delivering, transferring or processing of cannabis or any good or product that consists of or contains any amount of Tetrahydrocannabinol (THC) or any other cannabinoid, whether natural or synthetic.

"Residence premises conditional business liability" is limited to business or professional activities when legally conducted by you or a family member at your residence or other permanent structure shown in the Coverage Summary. If there is no other valid and collectible insurance, we provide coverage only for personal injury or property damage arising out of the physical condition of that residence if:

- you do not have any employees involved in your business or professional activities who are subject to any workers' compensation, disability benefits, unemployment compensation, or other similar laws; or, if you are a doctor or dentist, you do not have more than two employees subject to such laws; or
- you are a home day care provider whose annual gross revenues from this activity do not exceed \$5,000.

We do not cover damages or consequences resulting from business or professional care or services performed or not performed.

The following exclusion, Contamination, applies only to "Incidental farming" as described under the exclusion, Business pursuits.

Contamination. We do not cover any actual or alleged damages arising out of the discharge, dispersal, seepage, migration or release or escape of pollutants. Nor do we cover any cost or expense arising out of any request, demand or order to:

- extract pollutants from land or water;
- remove, restore or replace polluted or contaminated land or water; or
- test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants, or in any way respond to or assess the effects of pollutants.

However, this exclusion does not apply if the discharge, dispersal, seepage, migration, release or escape is sudden and accidental. A "pollutant" is any solid, liquid, gaseous or thermal irritant or contaminant, including smoke (except smoke from a hostile fire), vapor, soot, fumes, acids, alkalis, chemicals and waste. "Waste" includes materials to be disposed of, recycled, reconditioned or reclaimed.

Excess Liability Coverage

CHUBB®

Exclusions

(continued)

Pursuit or holding of public office. We do not cover any damages arising out of a covered person's pursuit or holding of an elected public office. But we do cover such damages for you or a family member if:

- the annual compensation of the office, whether accepted or not, does not exceed \$20,000; and
- the hours required to perform the duties of the office do not exceed an annual average of 20 hours of work per week during the policy period.

Financial guarantees. We do not cover any damages for any covered person's financial guarantee of the financial performance of any covered person, other individual or organization.

Professional services. We do not cover any damages for any covered person's performing or failure to perform professional services, or for professional services for which any covered person is legally responsible or licensed.

Acts of war. We do not cover any damages caused directly or indirectly by war, undeclared war, civil war, insurrection, rebellion, revolution, warlike acts by military forces or personnel, the destruction or seizure of property for a military purpose, or the consequences of any of these actions.

Contractual liability. We do not cover any assessments charged against a covered person as a member of a homeowners, condominium or cooperative association. We also do not cover any damages arising from contracts or agreements made in connection with any covered person's business. Nor do we cover any liability for unwritten contracts, or contracts in which the liability of others is assumed after a covered loss.

Covered person's or dependent's personal injury. We do not cover any damages for personal injury for any covered person or their dependents where the ultimate beneficiary is the offending party or defendant. We also do not cover any damages for personal injury for which you, or a family member can be held legally liable, in any way, to a spouse, a family member, a person who lives with you, or a person named in the Coverage Summary. We also do not cover any damages for personal injury, for which a spouse, a family member, a person who lives with you, or a person named in the Coverage Summary can be held legally liable, in any way, to you or a family member.

However, we do cover damages for bodily injury arising out of the use of a motorized land vehicle for which you or a family member can be held legally liable to a spouse, a family member, or a person named in the Coverage Summary, or for which a spouse, a family member, or a person named in the Coverage Summary can be held legally liable to you or a family member to the extent that coverage is provided under this part of your Masterpiece policy. This coverage applies only to the extent such damages are covered by primary underlying insurance and exceed the limits of insurance required for that motorized land vehicle under the required primary underlying insurance provisions of this part of your Masterpiece policy.

A person who lives with you does not include a temporary guest who has a permanent residence elsewhere.

Liability for dependent care. We do not cover any damages for personal injury for which a covered person's only legal liability is by virtue of a contract or other responsibility for a dependent's care.

Excess Liability Coverage

Exclusions

(continued)

Illness. We do not cover personal injury or property damage resulting from any illness, sickness or disease transmitted intentionally or unintentionally by a covered person to anyone, or any consequence resulting from that illness, sickness or disease. We also do not cover any damages for personal injury resulting from the fear of contracting any illness, sickness or disease, or any consequence resulting from the fear of contracting any illness, sickness or disease.

Liability for the acts of others. We do not cover any person for damages arising from:

- any entrustment of property;
- the failure to supervise or the negligent supervision of any person; or
- any parental or ownership liability.

This exclusion applies only to damages arising out of the ownership, maintenance or use of any motorized land vehicle, watercraft 26 feet or longer or with more than 50 engine rated horsepower, aircraft, or hovercraft. But we do cover these damages on a follow form basis for the type of motorized land vehicle or watercraft involved, unless another exclusion applies. This exclusion does not apply to any other coverage provided under an exclusion in this part of your policy.

Nuclear or radiation hazard. We do not cover any damages caused directly or indirectly by nuclear reaction, radiation, or radioactive contamination, regardless of how it was caused.

The following exclusion, Special exclusions, applies solely to Employment practices liability coverage.

Special exclusions. We do not cover the following:

- matters which may be deemed uninsurable according to any federal, state, or local statute, regulation, ordinance, or common law of the United States of America, its territories or possessions, or Puerto Rico under which the policy is construed;
- occurrences arising out of the breach of an actual or implied written or oral agreement related to employment;
- costs incurred to comply with any order, grant, or agreement to provide non-monetary relief; or
- occurrences arising out of any actual or alleged violation of any of the responsibilities, obligations, or duties imposed by the Consolidated Omnibus Budget Reconciliation Act, Employment Retirement Income Security Act of 1974, Fair Labor Standards Act (except the Equal Pay Act), state wage payment and collection laws, Federal Insurance Contributions Act, Immigration Reform and Control Act of 1986, National Labor Relations Act, Occupational Safety and Health Act, Social Security Act, Workers' Adjustment and Retraining Notification Act, including any amendments to these laws, promulgated rules, or regulations or any provisions of any similar federal, state, or local statute, regulation, ordinance, or common law of the United States of America, its territories or possessions, or Puerto Rico.

This part of your Masterpiece Policy explains the conditions that apply to your policy.

General Conditions

These conditions apply to your policy in general, and to each coverage in it.

Policy period

The effective dates of your policy are shown in the Coverage Summary. Those dates begin at 12:01 a.m. standard time at the mailing address shown. Each renewal period shall be for a similar term.

All coverages on this policy apply only to occurrences that take place while this policy is in effect.

Renewals

We or our agent may offer to renew this policy, at the premiums and under the policy provisions in effect at the date of renewal. We can do this by mailing you a bill for the premium to the address shown in the Coverage Summary, along with any changes in the policy provisions or amounts of coverage. You may accept our offer by paying the premium as billed.

Transfer of rights

If we make a payment under this policy, we will assume any recovery rights a covered person has in connection with that loss, to the extent we have paid for the loss.

All of your rights of recovery will become our rights to the extent of any payment we make under this policy. A covered person will do everything necessary to secure such rights, and do nothing after a loss to prejudice such rights. However, you may waive any rights of recovery from another person or organization for a covered loss in writing before the loss occurs.

Concealment or fraud

We do not provide coverage if you or any covered person has intentionally concealed or misrepresented any material fact relating to this policy before or after a loss. This condition does not apply to Vehicle Liability Coverage.

Application of coverage

The amount of coverage applies separately to each covered person, but does not increase the amount of coverage for any one occurrence.

Duplicate coverages

If a loss is covered under more than one part of this policy, we will pay you under the part giving you the most coverage, but not under more than one part. However, when both Valuable Articles Coverage and contents coverage are shown in the Coverage Summary, and a loss is covered under both parts, your amount of coverage will equal the combined total of both contents and Valuable Articles Coverage subject to the Contents Special limits and policy provisions. In no event will we make duplicate payments.

Policy Terms

General Conditions

(continued)

Assignment

You cannot transfer your interest in this policy to anyone else unless we agree in writing to the transfer.

Policy changes

This policy can be changed only by a written amendment we issue.

Vehicle premium

If you have vehicle coverage, the premium for the vehicle coverage is based on information we have received from you, your agent, or other sources. If the information is incorrect or incomplete, or changes during the policy period, you must inform us or your agent of any changes as soon as possible regarding:

- your vehicle, including its use;
- the covered persons who regularly use your vehicle, including newly licensed family members; or
- the location where your vehicle is principally garaged.

We may decrease or increase your premium during the policy period based on the corrected, completed, or changed information and we reserve our rights to cancel or to decline to renew this policy in accordance with the policy cancellation provisions under the Special Conditions section of the Policy Terms.

Bankruptcy or Insolvency

We will meet all our obligations under this policy regardless of whether you, your estate, or anyone else or his or her estate becomes bankrupt or insolvent.

In case of death

In the event of your death, we cover your legal representative or any person having proper temporary custody of your property until a legal representative is appointed and qualified, but only with respect to your premises and other property covered under the policy at the time of death. We will also cover any member of your household who is a covered person at the time of death.

Liberalization

We may extend or broaden the coverage provided by this policy. If we do this during the policy period or within 60 days before it begins, without increasing the premium, then the extended or broadened coverage will apply to occurrences after the effective date of the extended or broadened coverage.

Conforming to state law

If any provision of this policy conflicts with the laws of the state you live in, this policy is amended to conform to those laws.

Conforming to trade sanction laws

This policy does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance.

Liability Conditions

These conditions apply to all liability coverages in this policy.

Other Insurance

Vehicles and UM/Supplementary UM/UIM: When other liability insurance applies to covered damages, we will pay our share. Our share is the proportion that the amount of coverage under this policy bears to the total of all applicable amounts of coverage. However, for non-owned motorized land vehicles, this insurance is excess over any other insurance, except that written specifically to cover excess over the amount of coverage in this policy.

Personal and Excess: This insurance is excess over any other insurance except that written specifically to cover excess over the amount of coverage that applies in this policy.

Additional liability protection. If you have Masterpiece Personal Liability Coverage or Masterpiece Vehicle Liability Coverage, you are eligible to apply for excess liability protection. The additional protection covers your house, vehicle(s) and other personal exposures under our Masterpiece Excess Liability Coverage. Acceptance is subject to our approval.

When you no longer have at least one of either Masterpiece Personal Liability Coverage or Masterpiece Vehicle Liability Coverage, your eligibility for Masterpiece Excess Liability Coverage will cease as of the cancellation or nonrenewal date. If Masterpiece Excess Liability Coverage has been provided, it will be cancelled or nonrenewed at the earliest date allowed by law and an appropriate notice of cancellation or nonrenewal will be issued.

Your duties after a loss

In case of an accident or occurrence, the covered person shall perform the following duties that apply:

Notification. You must notify us or your agent as soon as reasonably possible. Failure to give notice to us shall not invalidate any claim made by you, the injured person, or any other claimant unless the failure to provide such timely notice has prejudiced us. However, no claim made by you, the injured person or other claimant will be invalid if it shall be shown not to have been reasonably possible to give such timely notice and that notice was given as soon as reasonably possible thereafter.

With respect to personal injury or wrongful death, if we deny coverage or do not admit liability because you, the injured person, or other claimant fails to give notice as soon as possible then you, the injured person, or other claimant may bring an action against us provided the sole question is whether the denial of coverage or non admission of liability is based on the failure to provide timely notice. However, you, the injured person, or other claimant may not bring an action within 60 days after coverage is denied or liability not admitted unless we or you:

- initiate an action to declare the rights of the parties under this contract; and
- name the injured person or other claimant as a party to such action.

Liability Conditions

(continued)

The burden of proving prejudice for failure to provide timely notice shall be on:

- us if notice was provided within two years of the time required under this policy; or
- you, the injured person or other claimant if notice was provided more than two years after the time required under this policy.

An irrebuttable presumption of prejudice will apply if, prior to providing notice:

- your liability has been determined by a court of competent jurisdiction or by binding arbitration; or
- you have entered into any settlement or other compromise.

Assistance. You must provide us with all available information. This includes any suit papers or other documents which help us in the event that we defend you.

Cooperation. You must cooperate with us fully in any legal defense. This may include any association by us with the covered person in defense of a claim reasonably likely to involve us.

Examination. A person making a claim under any liability or vehicle coverages in this policy must:

- submit as often as we reasonably require:
 - to physical exams by physicians we select, which we will pay for; and
 - to examination under oath and subscribe the same; and
- authorize us to obtain:
 - medical reports; and
 - other pertinent records.

Appeals

If a covered person, or any primary insurer, does not appeal a judgement for covered damages, we may choose to do so. We will then become responsible for all expenses, taxable costs, and interest arising out of the appeal. However, the amount of coverage for damages will not be increased.

Property Conditions

These conditions apply to all coverage for damage to property and all coverages for damage to vehicles in this policy.

Other Insurance

When other property insurance applies to a covered loss, we will pay only the portion of the loss that the amount of coverage under this policy bears to the total amount of insurance covering the loss, except as follows:

Condominiums and Cooperatives: If there is other insurance in the name of the condominium or cooperative association covering the same property covered by us, our coverage shall be in excess of the other insurance.

Valuable articles: If there is other insurance in the name of a consignor, gallery, auction house or museum, covering the same property covered by us, our coverage shall be in excess of a loss covered under the other insurance.

Property Conditions

(continued)

Your duties after a loss

If you have a loss this policy may cover, you must perform these duties:

Notification. You must notify us or your agent of your loss as soon as possible.

Protect property. You must take all reasonable means that are necessary to protect property from further loss or damage.

Prepare an inventory. You must prepare an inventory of damaged personal property, describing the property in full. It should show in detail the amount insured under this policy and actual amount of the loss. Attach bills, receipts, and other documents to support your inventory.

Display property. You must show us the damaged property when we ask.

Examination under oath. We have the right to examine separately under oath as often as we may reasonably require you, family members and any other members of your household and have them subscribe the same. We may also ask you to give us a signed description of the circumstances surrounding a loss and your interest in it, and to produce all records and documents we request and permit us to make copies.

Proof of loss. You must submit to us, within 60 days after we request, your signed, sworn proof of loss which documents, to the best of your knowledge and belief:

- the time and cause of loss;
- interest of the insured and all others in the property involved and all liens on the property;
- other insurance which may cover the loss;
- changes in title or occupancy of the property during the term of the policy;
- specifications of any damaged buildings and estimates for their repair;
- receipts for additional living expenses incurred and records supporting any fair rental value loss; and
- evidence or affidavit supporting a claim under the Credit Cards, Bank Cards, Fund Transfer Cards, Forgery and Counterfeit Money Coverage, stating the amount and cause of loss.

Insurable interest

We will not pay for any loss to property in which you or a family member does not have an insurable interest at the time of the loss.

If more than one person has an insurable interest in covered property, we will not pay for an amount greater than your interest, up to the amount of coverage that applies.

Abandoning property

You cannot abandon any property to us unless we agree to accept it, or to a third party unless we agree.

Carrier and bailees

We will not make any payments under this policy to the benefit of any carrier or other bailee of damaged or lost property.

Property Conditions

(continued)

Fire losses

If there is a fire loss to your home, we are required by New York law to first pay a portion of the claim to tax districts that have issued a certificate of lien. If your tax district is eligible to receive a portion of the payment for your loss, any payment we make to you for fire losses will be reduced by the amount paid to the tax district.

Special Conditions

In the event of conflict with any other conditions of your policy, these conditions supersede.

Legal action against us

You agree not to bring legal action against us unless you have first complied with all conditions of this policy. Except for vehicle coverage, you also agree to bring any action against us within two years after a loss occurs.

For liability, you also agree not to bring any action against us until the amount of damages you are legally obligated to pay has been determined by final judgement or by a written agreement between you, us and the claimant. No person or organization has any right under this policy to bring us into any action to determine the liability of a covered person.

Appraisals

If you and we fail to agree on the amount of loss, either one can demand that the amount of loss be set by appraisal. If either makes a written demand for appraisal, each shall select a competent, independent appraiser and notify the other of the appraiser's identity within 20 days of receipt of the written demand. The two appraisers shall then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, you or we can ask a judge of a court of record in the state where the residence premises is located to select an umpire. The appraisers shall then set the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon shall be the amount of the loss. If the appraisers fail to agree within a reasonable time, they shall submit their differences to the umpire. Written agreement signed by any two of these three shall set the amount of the loss. Each appraiser shall be paid by the party selecting the appraiser. Other expenses of the appraisal and the compensation of the umpire shall be paid equally by you and us. However, we do not waive our rights under this policy by agreeing to an appraisal.

Mortgagee or loss payee

If a mortgagee or loss payee is named in this policy, loss or damage, if any, on buildings under this policy, shall be payable to the aforesaid as mortgagee or loss payee as interest may appear, and this insurance, as to the interest of the mortgagee or loss payee only therein, shall not be invalidated by any act or neglect of the mortgagor or owner of the within described property, nor by any foreclosure or other proceedings or notice of sale relating to the property, nor by any change in the title or ownership of the property, nor by the occupation of the premises for purposes more hazardous than are permitted by this policy, provided, that in case the mortgagor or owner shall neglect to pay any premium due under this policy, the mortgagee or loss payee shall, on demand, pay the same.

Special Conditions

(continued)

Provided, also that the mortgagee or loss payee shall notify this company of any change of ownership or occupancy or increase of hazard which shall come to the knowledge of said mortgagee or loss payee and, unless permitted by this policy, it shall be noted thereon and the mortgagee or loss payee shall, on demand, pay the premium for such increased hazard for the term of the use thereof; otherwise this policy shall be null and void.

This company reserves the right to cancel this policy at any time as provided by its terms, but in case this policy shall continue in force for the benefit only of the mortgagee or loss payee for 10 days after notice to the mortgagee or loss payee of such cancellation and shall then cease, and this company shall have the right, on like notice, to cancel this agreement.

Whenever this company shall pay the mortgagee or loss payee any sum for loss or damage under this policy and shall claim that, as to the mortgagor or owner, nonliability therefore existed, this company shall, to the extent of such payment, be thereupon legally subrogated to all the rights of the party to whom such payment shall be made, under all securities held as collateral to the mortgage debt, or may, at its option, pay to the mortgagee or loss payee the whole principal due or to grow due on the mortgage with interest, and shall thereupon receive a full assignment and transfer of the mortgage and of all such other securities; but no subrogation shall impair the right of the mortgagee or loss payee to recover the full amount of said mortgagee's or loss payee's claim.

Loss or damage, if any, under this policy shall be payable to the aforesaid mortgagee or loss payee as interest may appear under all present or future mortgages, in order of precedence of such mortgages, in accordance with the terms of this standard mortgage clause, it being understood that no notice of increase or decrease in any mortgagee's interest is required.

Nonrenewal

If we decline to renew all or part of this policy, we will mail such nonrenewal to your last mailing address shown in the policy at least 45 days, but not more than 60 days, before the policy ends and we will obtain a certificate of mailing. A copy of the notice will also be sent to the last known mortgagee or lienholder named in this policy at the last mailing address shown in the policy. The reasons for nonrenewal will accompany the notice.

During the first three years after the original effective date of the policy (or for vehicle coverage, the first year) we may decline to renew this policy only on grounds for which we could cancel it. If we voluntarily renew this policy at the end of this period, the three year (or one year) period will begin again on the effective date of the renewal.

Vehicle coverage only:

If we decide not to renew or continue this policy, we will mail notice to your last mailing address shown in the policy. If the policy period is other than one year, we have the right not to renew or continue if only at each anniversary of its original effective date.

Conditional renewal

If we have the right to cancel or refuse to renew this policy, we may instead of cancelling or nonrenewing, condition continuation by a change of limits or elimination of any coverage which is not required by law. If we condition the renewal, we will mail such notice to your last mailing address shown in the policy at least 45 days but not more than 60 days before the policy ends.

Policy Terms

Special Conditions

(continued)

Our right not to renew applies to each coverage or limit in this policy.

Your cancellation

You may cancel this policy or any part of it at any time by returning it to us or notifying us in writing of the future date that the cancellation is to take effect.

Our cancellation

We may cancel this policy or any part of it, subject to the following conditions. Our right to cancel applies to each coverage or limit in this policy.

Within 60 days. When this policy or any part of it has been in effect for less than 60 days, we may cancel with 30 days notice for any reason.

Nonpayment of premium. We may cancel this policy or any part of it with 15 days notice if you fail to pay the premium by the due date, regardless of whether the premium is payable to us, to our agent, or under any finance or credit plan.

Conviction of a crime. We may cancel any part of this policy, except vehicle coverage, with 30 days notice if you were convicted of a crime increasing the hazard we assumed.

Misrepresentation. We may cancel this policy or any part of it with 30 days notice if the coverage was obtained through material misrepresentation, fraudulent statements, or omissions of a fact that is relevant to a claim or to the acceptance of the risk or to the hazard we assumed.

Willful or reckless acts. We may cancel this policy or any part of it with 30 days notice if there have been willful or reckless acts or omissions increasing the hazard we assumed.

Property changes. We may cancel this policy or any part of it with 30 days notice if physical changes occur in the property after the policy was issued or after the last renewal date, making the property uninsurable.

Violations. We may cancel this policy or any part of it with 30 days notice if the superintendent of insurance determines that continuing the policy would violate Chapter 28 of the Laws of New York.

Vehicle coverage only:

Driver's license suspension. We may cancel any vehicle coverage in this policy with 30 days notice if your driver's license or that of any other driver who lives with you, and customarily uses your car, has been suspended or revoked during the policy period. This does not apply to a suspension issued under Section 510(b)(1) of the vehicle and traffic law or one or more administrative suspensions from the same incident which terminate prior to the effective date of the cancellation.

Special Conditions

(continued)

Procedure

To cancel this policy or any part of it, we must notify you in writing. This notice will be mailed to you at the last mailing address shown in the policy and we will obtain a certificate of mailing. This notice will include the date the cancellation is to take effect and the reasons for cancellation.

Refund

In the event of cancellation by you or by us, we will refund any unearned premium on the effective date of cancellation, or as soon as possible afterwards. The unearned premium will be computed pro rata for the unexpired term for each part of the policy. For cancellations during the policy term, we will retain a minimum of \$50.



Policy Information Notice

CHUBB®

IMPORTANT NOTICE

You have certain rights to review and correct or amend information in your file with the producer or the insurer. If you want to know more about this and how information may be disclosed without your prior authorization, please write to:

Chubb Personal Risk Services
Attention: Policy Information
202 Hall's Mill Road
PO Box 1600
Whitehouse Station, NJ 08889-1600

Please include your policy number, policy period, and the name and address of your agent or broker.

If you need to report a claim and have been unable to contact your producer or local Chubb Office, you can call this telephone number for further assistance.

1-800-252-4670

THIRD PARTY DESIGNATION NOTIFICATION

New York law permits a named insured age sixty-five or older to designate a third party (called a "Designee") to whom we will send a duplicate copy of notices of cancellation, nonrenewal, or conditional renewal issued to you for your policies.

If you want to add a "Designee" as your Third Party Designation for this policy, please contact your agent or broker.

11/20/17

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New York Policy Information Notice

8/18/17 9:17:17



CHUBB®

Coverage Update

Name and address of Insured

FARAMARZ AND KATRIN HEDVAT
7 KENILWORTH TERRACE
KINGS POINT, NY 11024

Page 1

Effective Date 9/30/21

Policy no. 14678193-01

Issued by Chubb National Insurance Company
a stock insurance company
incorporated in Indiana

Policy period 9/8/21 to 9/8/22

If you have any questions, please contact
THE HILB GROUP OF NY LLC DBA HIRAM COHEN
& SON
486 WILLIS AVENUE
WILLISTON PARK, NY 11596
516.742.7180

Based on information provided by you, your agent or broker, or due to information obtained about your insured property, we have revised your Chubb Masterpiece Policy. The changes are shown below. To keep your records up to date, please attach this update to your existing policy.

Your premium will not change for this revision.

Liability

This section shows the changes in your Liability coverage. All other provisions of this coverage remain in effect.

The amount of liability coverage is **\$5,000,000**.

			Old Coverage	New Coverage
Added	Liability for	2022 BMW X3	NONE	EXCESS LIABILITY ONLY

As the duly authorized representative of the company my signature validates this policy.

Paul N. Morrisette
Authorized representative



Coverage Update

CHUBB

Name and address of Insured

FARAMARZ AND KATRIN HEDVAT
7 KENILWORTH TERRACE
KINGS POINT, NY 11024

Page 1

Effective Date 11/24/21

Policy no. 14678193-01

Issued by Chubb National Insurance Company
a stock insurance company
incorporated in Indiana

Policy period 9/8/21 to 9/8/22

If you have any questions, please contact
THE HILB GROUP OF NY LLC DBA HIRAM COHEN
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Your premium will not change for this revision.

Liability

This section shows the changes in your Liability coverage. All other provisions of this coverage remain in effect.

The amount of liability coverage is **\$5,000,000**.

			Old Coverage	New Coverage
Added	Liability for	2022 BMW X3	NONE	EXCESS LIABILITY ONLY

As the duly authorized representative of the company my signature validates this policy.

Paul N. Morrisette
Authorized representative



Coverage Update

CHUBB

Name and address of Insured

FARAMARZ AND KATRIN HEDVAT
7 KENNILWORTH TERRACE
KINGS POINT, NY 11024

Page 1

Effective Date 5/13/22

Policy no. 14678193-01

Issued by Chubb National Insurance Company
a stock insurance company
incorporated in Indiana

Policy period 9/8/21 to 9/8/22

If you have any questions, please contact
THE HILB GROUP OF NY LLC DBA HIRAM COHEN
& SON
486 WILLIS AVENUE
WILLISTON PARK, NY 11596
516.742.7180

Based on information provided by you, your agent or broker, or due to information obtained about your insured property, we have revised your Chubb Masterpiece Policy. The changes are shown below. To keep your records up to date, please attach this update to your existing policy.

Your premium will not change for this revision.

Liability

This section shows the changes in your Liability coverage. All other provisions of this coverage remain in effect.

The amount of liability coverage is **\$5,000,000**.

Rating Information on this coverage has been amended.

			Old Coverage	New Coverage
Deleted	Liability for	2020 BMW M8	EXCESS LIABILITY ONLY	NONE

As the duly authorized representative of the company my signature validates this policy.

Paul N. Morrisette
Authorized representative

EXHIBIT 2



Eastern Claim Service Center
600 Independence Parkway
Chesapeake, VA 23320
O: (800) 252-4670
F: (800) 664-5358
E: USPropertyClaims@chubb.com

Mailing Address
P.O. Box 4700
Chesapeake, VA 23327-4700

August 12, 2022

Faramarz and Katrin Hedvat
7 Kennilworth Terrace
Kings point, NY. 11024

Re: Insured: Faramarz and Katrin Hedvat
Claim Number: 092022015287
Policy Number: 001467819301
Loss Location: 7 Kennilworth Terrace
Kings point, NY. 11024
Date of Loss: May 16, 2022
Insurance Company: Chubb National Insurance Company

Dear Mr. & Mrs. Faramarz and Katrin Hedvat,

Chubb provides you with homeowner's coverage, subject to the terms and conditions of your policy, through a homeowner's policy underwritten by Chubb National Insurance Company. This policy is in effect from September 8, 2021, through September 8, 2022.

This letter is to advise you of the coverage determination of Chubb National Insurance Company with respect to your claim for damages under the Masterpiece policy referenced above.

We regret that you sustained this loss to your property. Please be assured that we have undertaken a thorough investigation to determine the cause of the loss and applicable coverage under your Policy. Unfortunately, after careful consideration of the facts of the loss and the policy terms, Chubb National Insurance Company has determined there is no coverage available for your loss. We would like to take this opportunity to fully explain the basis for our decision. As you're aware we investigated your claim under reservation of rights letter mailed to Brian Clayman on May 20, 2022.

Our initial investigation included a phone interview with your public adjuster, Brian Clayman wherein he explained that the walkways, pavers, sprinklers, masonry and landscaping were damaged due to access of the pipes and drywells. Additionally, he explained while the reported date of loss was May 16, 2022, the damage was actually discovered in February of 2022 as interment issues started with exterior underground pipes that lead to the exterior drywells. It was explained that your Contractor, Cesspool Pro, inspected with a fiber optic camera and verified that the pipes connecting the 2 drywells had collapsed. The collapse caused the 1st drywell to overflow back into your home.

As the plumbing repairs and access was completed prior to our ability to investigate the exact cause of loss we hired James Vierling P.E. Project Engineering of H2M architects + Engineers to assist in the investigating the cause of loss. A copy of the report is enclosed for your review. Mr. Vierling conclusions are in part as follows:

092022015287

CONCLUSION

In the opinion of H2M, the failure of the septic system resulting in backup of water inside the residence is consistent with typical failures resulting from a blocked/collapsed pipe. The blockage prevents wastewater from easily flowing to the cesspool where it can leach into the ground. H2M was unable to identify the cause of the pipe collapse because the pipe had been repaired prior to H2M's involvement and based on lack of information provided by the Contractor. Pipe blockage and collapses are typically found in aging systems, so the fact that this system was installed recently would tend to indicate an installation or manufacturer defect in the pipe. In general, H2M concurs with Cesspool Pro's findings that a blocked pipe caused the backup inside the house.

Based on our review of the damages and the opinions of Professional Engineer James Vierling, we have determined that your house located at 7 Kennilworth Terrace in Kings point, New York were damaged as a result of an underground pipe collapse leading to the drywells. Unfortunately, such loss is not covered under the terms of your insurance policy.

At this time, we wish to call your attention to your **Masterpiece, New York Deluxe House Coverage** (11/20/17) form which appears on page B-4, and states in part as follows:

Deluxe House Coverage

In Deluxe House Coverage, a "covered loss" includes **all risk** of physical loss to your house or other property covered under this part of your Masterpiece Policy, unless stated otherwise or an exclusion applies. Exclusions to this coverage are described in **Exclusions**.

Please also consider the following policy provisions, which begin on page B-12:

Exclusions

These exclusions apply to your Deluxe House Coverage, including the Extra Coverages, unless stated otherwise.

The words "caused by" mean any loss that is contributed to, made worse by, or in any way results from that peril.

Structural movement. We do not cover any loss caused by the settling, cracking, shrinking, bulging, or expansion of bulkheads, pavements, patios, landings, steps, footings, foundations, walls, floors, roofs, or ceilings except loss to glass that is part of a building, storm door, or storm window. But we do insure ensuing covered loss unless another exclusion applies.

Special rules for escaping water. If any of the causes of loss previously described (gradual or sudden loss, contamination, loss by animals, or structural movement) cause water to escape from a household appliance, swimming pool, or plumbing, heating, or air conditioning system, we cover the loss to covered property caused by the water. We also cover the cost of tearing out and replacing any part of a building necessary to repair the system or appliance. But we do not cover loss to the system or appliance itself.

Damage to outside structures. We do not cover any loss caused by freezing, thawing, or the pressure or weight of water, ice, or snow, whether driven by wind or not to any:
fence, arbor, pavement, patio, landing or step;
septic system, swimming pool or hot tub including their installed equipment;
footing, foundation, wall, or any other structure or device, that supports all or part of your house or an other permanent structure;
retaining wall or bulkhead; or
pier, wharf, dock or bridge.
However, we do insure ensuing covered loss unless another exclusion applies.

Faulty planning, construction, or maintenance. We do not cover any loss caused by the faulty acts, errors, or omissions of you or any other person in planning, construction, or maintenance. It does not matter whether the faulty acts, errors, or omissions take place on or off the insured property. But we do insure ensuing covered loss unless another exclusion applies. "Planning" includes zoning, placing, surveying, designing, compacting, setting specifications, developing property, and establishing building codes or construction standards. "Construction" includes materials, workmanship, and parts or equipment used for construction or repair.

Earth movement. We do not cover any loss caused by earth movement including volcanic eruptions, landslides, mud flows, and any expansion, contracting, sinking, rising, settling, or shifting of the earth, soil, or land. This exclusion applies whether or not the earth, soil, or land is combined or mixed with water or any other liquid or natural or man-made material. However, we do cover losses caused by the eruption of a volcano when the loss is the result of:

a volcanic blast or airborne shock waves;
ash, dust, or particulate matter; or
lava flow.

We also insure ensuing covered loss due to fire, explosion, theft, or glass breakage unless another exclusion applies.

At this time we wish to call your attention to your ***Masterpiece, New York Deluxe House Coverage*** (11/20/17) form which appears on page B-5, and states in part as follows:

Extra Coverages

In addition to covering the physical loss to your house, we also provide other related coverages.

These coverages are in addition to the amount of coverage for your house unless stated otherwise or an exclusion applies. All deductibles apply to Extra Coverages unless stated otherwise.

Exclusions to these coverages are described in **Exclusions**.

Extra Coverages only apply to other permanent structures on the grounds of your house if an amount of coverage greater than zero is shown in the Coverage Summary for such other permanent structures.

Landscaping

We cover trees, shrubs, plants, and lawns, which are on the grounds of your house and other permanent structures, against certain kinds of perils. These are fire, lightning, explosion, civil disturbance, vandalism, malicious mischief, theft, and loss caused by a vehicle or aircraft.

We will pay:

up to a total of 5% of the amount of coverage for the house at which the loss occurs, unless a greater percentage is shown in the Coverage Summary, but not more than \$10,000 for any one tree, shrub, or plant, unless a greater amount is shown in the Coverage Summary.

If your payment basis is extended replacement cost, the 5% is applied to the increased amount of coverage.

This extra coverage does not apply to naturally occurring or native grown vegetation, including but not limited to brush, woodlands, forests, grasslands, wetlands or mangroves. We also do not cover vineyards, sod farms, tree farms, orchards, and crops grown or used primarily for business purposes.

This extra coverage applies only if you begin to repair or replace the lost or damaged property within 180 days of the date of loss, or a later date if agreed to by us.

Please also consider the following policy terms which begin on page Y-1:

Property Conditions

These conditions apply to all coverage for damage to property and all coverages for damage to vehicles in this policy.

Your duties after a loss

If you have a loss this policy may cover, you must perform these duties:

Notification. You must notify us or your agent of your loss as soon as possible.

Protect property. You must take all reasonable means that are necessary to protect property from further loss or damage.

Prepare an inventory. You must prepare an inventory of damaged personal property, describing the property in full. It should show in detail the amount insured under this policy and actual amount of the loss. Attach bills, receipts, and other documents to support your inventory.

Display property. You must show us the damaged property when we ask.

As outlined above, the applicable coverage forms for house specifically exclude damage caused by faulty workmanship, settlement and/or earth movement. Our investigation has determined the damage to your underground exterior pipes and surrounding walkway and pavers was due to faulty workmanship and likely settlement including earth movement. Please note that the special rule for escaping water only applies under certain causes of loss, none that apply. In addition, access is only provided in a building that does not include other structures and/or land. Additionally, there is no coverage for landscaping as the damage was not caused by one of the named perils. As such, Chubb National Insurance Company is unable to provide coverage for your loss for access, repairs of the pipes, drywells, walkways, pavers, and landscaping.

Please note that even though Chubb National Insurance Company has only discussed certain portions of your policy in this letter, we do not mean to waive any other provisions in the policy not referenced here, or any of our other rights. Nothing which Chubb National Insurance Company may have done prior to this letter, or may do subsequently, in connection with the investigation of the circumstances surrounding this loss or the adjustment of this loss should be construed or considered in any way as a waiver of any of Chubb National Insurance Company's rights or defenses. Chubb National Insurance Company further reserves the right to bring to your attention any additional contractual or legal defenses for any other potential claims under the policy which may be warranted by the facts.

Should you wish to take this matter up with the New York State Department of Financial Services, you may file a complaint with the Department either on its website at <http://www.dfs.ny.gov/consumer/fileacomplaint.htm> or by writing to the Consumer Assistance Unit, New York State Department of Financial Services, at: One State Street, New York, NY 10004; One Commerce Plaza, Albany, NY 12257; 1399 Franklin Avenue, Garden City, NY 11530; or 535 Washington Street, Suite 305, Buffalo, NY 14203.

If you believe our decision is made in error or without consideration of additional facts or information of which we are not presently aware, please notify the undersigned and provide any additional information and documentation for our further review. Upon receipt of such information, we will gladly review our coverage position and provide you with an additional explanation. I can be reached at (631) 657-3675 or Marc.DeSalvo@Chubb.com.

Sincerely,

Marc DeSalvo

Marc DeSalvo
Property Senior Claim Specialist
Chubb National Insurance Company
(631) 657-3675 Phone
Marc.DeSalvo@Chubb.com

cc: The Hilb Group of NY LLC DBA Hiram Cohen & Son
486 Willis Ave
Williston Park, NY 11596



architects + engineers

290 Broad Hollow Road, Ste 400E
Melville, NY 11747 | tel 631.756.8000

August 8, 2022

Marc DeSalvo
Property Senior Claim Specialist
Chubb Insurance
600 Independence Pkwy,
Chesapeake, VA, 23320
Email: Marc.DeSalvo@chubb.com

**Re: Investigation Report for Cesspool Failure-Revision 1
Faramarz & Katrin Hedvat Residence
7 Kennilworth Terrace, Kings Point, NY 11024
H2M Project Number: CHUB2245
Chubb Claim No.: 092022015287**

Dear Mr. DeSalvo:

Pursuant to your request, H2M architects + engineers (H2M) reviewed record documentation and spoke with the Contractor who performed repairs at the Hedvat residence. The purpose of the review was to determine the cause and origin of the reported cesspool failure.

The analysis and opinion(s) provided in this report are based on field measurements, visual observations, and information provided by the homeowner, Chubb Insurance Company and any other sources referenced in this report. The analysis and opinion(s) are based upon information available at the time this report is issued. In the event additional information becomes available that has bearing on the opinion(s) presented in this report, H2M reserves the right to amend or supplement the opinion(s) accordingly.

BACKGROUND INFORMATION

The residence is a 7,510 square foot single family structure built in 2017. It is located on the East side of Kennilworth Terrace, off of East Shore Road in Great Neck, NY. According to online real estate listings, the residence has 6 bedrooms and 6.5 bathrooms.

Based on the letter dated 5/20/2022 from the property owner's cesspool contractor, Cesspool Pro's out of Bay Shore, NY, water was backing up into the home due to a collapsed pipe between cesspools. H2M did not conduct a site visit since all repair work has already been completed. Therefore, H2M is relying on photos and videos as well as statements provided by the Contractor.

INVESTIGATION SUMMARY

H2M was provided photos and videos of the site showing the following:

- Cracking in Belgium block walkway
- Exposed Cesspool covers

The area surrounding cesspools showed signs of settling such as the cracked joints in the walkway. Settling can be caused when a pipe is cracked or a joint is not properly installed and soils migrate into the pipe resulting in a void under the ground. If soil can enter the pipe overtime it can block the flow of water and result in a blockage.

Based on the conversation with the Contractor the following conditions were observed:

- Collapsed pipe between cesspools.

CORPORATE HEADQUARTERS

538 Broad Hollow Road, 4th Floor East | Melville, NY 11747 | 631.756.8000 | h2m.com

092022015287

Flow was unable to transfer between pools and backed up due to the imposed capacity constraints. Cesspool Pro excavated between the precast structures and removed the collapsed pipe, replacing with a new one. This replacement allowed flow to be able to freely fill up the additional cesspools.

CONCLUSION

In the opinion of H2M, the failure of the septic system resulting in backup of water inside the residence is consistent with typical failures resulting from a blocked/collapsed pipe. The blockage prevents wastewater from easily flowing to the cesspool where it can leach into the ground. H2M was unable to identify the cause of the pipe collapse due to the fact that the pipe had been repaired prior to H2M's involvement and based on lack of information provided by the Contractor. Pipe blockage and collapses are typically found in aging systems, so the fact that this system was installed recently would tend to indicate an installation or manufacturer defect in the pipe. In general, H2M concurs with Cesspool Pro's findings that a blocked pipe caused the backup inside the house.

Should you have any questions regarding the above, please feel free to contact the undersigned at (631) 756-8000 extension 1441.

H2M architects + engineers

Very truly yours,



James Vierling, P.E.
Project Engineer

Sean D'Attore
Staff Engineer

Attachment 1 – Contractor Photos



ATTACHMENT 1

Photograph and Documents
Provided to H2M



1096 Udall Road
Bay Shore, NY 11706
Phone: 631-254-1234 • Fax: 631-328-3108
Email: info@cesspoolpros.com
www.cesspoolpros.com

5-20-20-2022

To Whom it May Concern:

I, Joseph Seibert, was called to 7 Kennilworth Drive, Kings Point to determine the reason liquids was flowing back into the home. Upon further inspection via camera, it was found the piping connecting the two dry wells together had collapsed, causing the near dry well to overflow and return back into the home.

Any further questions please feel free to contact me at 631-254-1234.

Thank you,

A handwritten signature in cursive script, appearing to read "J. Seibert".

Joseph Seibert



























